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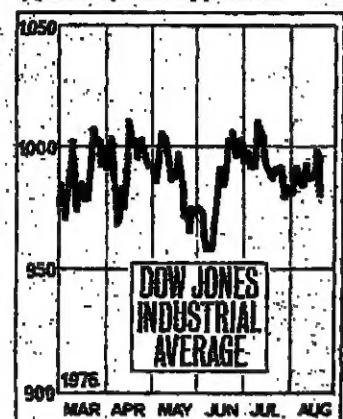
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NEWS SUMMARY

Wall St. falls 11.13 in sharp setback
WALL STREET suffered a setback, dropping 11.13 to 983.88. The market was apparently disappointed with the only surprise in the President's announcement lay in the fact that Senator Dole's name had not appeared on any of the short lists of Mr. Ford's preferences which circulated in the last few days. But he is cast in precisely the same mould as the man who was most widely tipped for the job, Senator Howard Baker from Tennessee.

President Ford, a man not given to gambles, this morning made the conservative and arguably unimaginative choice of Senator Robert Dole from Kansas to be his running mate in the Presidential election campaign.



Welsh cuts

Welsh National Water Authority said that consumers are to be 17 hours a day from day. But the threat of reduction in water to industry has been for two weeks to September 5 for most of South Wales.

Isk warning

Isk Summerskill, Home Secretary, appealed to the public to be alert to fire. He said that the Home Counties, in the North and Midlands, are at risk. The Home Secretary said that the Home Counties, in the North and Midlands, are at risk. The Home Secretary said that the Home Counties, in the North and Midlands, are at risk.

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Korea alert

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RICE CHANGES YESTERDAY

RICES	120 + 20	105 + 5	100 + 5	95 + 5	90 + 5	85 + 5	80 + 5	75 + 5	70 + 5	65 + 5	60 + 5	55 + 5	50 + 5	45 + 5	40 + 5	35 + 5	30 + 5	25 + 5	20 + 5	15 + 5	10 + 5	5 + 5	0 + 5
Intum	120	105	100	95	90	85	80	75	70	65	60	55	50	45	40	35	30	25	20	15	10	5	0
Paint	365	360	355	350	345	340	335	330	325	320	315	310	305	300	295	290	285	280	275	270	265	260	255
Regional Prop. A	24	23	22	21	20	19	18	17	16	15	14	13	12	11	10	9	8	7	6	5	4	3	2
UDT	195	190	185	180	175	170	165	160	155	150	145	140	135	130	125	120	115	110	105	100	95	90	85
Wedge	175	170	165	160	155	150	145	140	135	130	125	120	115	110	105	100	95	90	85	80	75	70	65
Weyburn East	350	345	340	335	330	325	320	315	310	305	300	295	290	285	280	275	270	265	260	255	250	245	240
Winsor & Newton	120	115	110	105	100	95	90	85	80	75	70	65	60	55	50	45	40	35	30	25	20	15	10
Assoc. Aust.	120	115	110	105	100	95	90	85	80	75	70	65	60	55	50	45	40	35	30	25	20	15	10
Burnish Oil	120	115	110	105	100	95	90	85	80	75	70	65	60	55	50	45	40	35	30	25	20	15	10
Shell-Transport	120	115	110	105	100	95	90	85	80	75	70	65	60	55	50	45	40	35	30	25	20	15	10
Woodhouse-Burnish	120	115	110	105	100	95	90	85	80	75	70	65	60	55	50	45	40	35	30	25	20	15	10
Durban Deep	120	115	110	105	100	95	90	85	80	75	70	65	60	55	50	45	40	35	30	25	20	15	10
North Broken Hill	120	115	110	105	100	95	90	85	80	75	70	65	60	55	50	45	40	35	30	25	20	15	10

Ford picks Kansas Senator as his poll running mate

BY JUREK MARTIN, Kansas City, August 19

President Ford, a man not given to gambles, this morning made the conservative and arguably unimaginative choice of Senator Robert Dole from Kansas to be his running mate in the Presidential election campaign.

Senator Dole brings to the ticket loyalty to the Republican party but apparently little else to strike fear into the heart of Mr. Jimmy Carter and the Democratic Opposition.

The only surprise in the President's announcement lay in the fact that Senator Dole's name had not appeared on any of the short lists of Mr. Ford's preferences which circulated in the last few days. But he is cast in precisely the same mould as the man who was most widely tipped for the job, Senator Howard Baker from Tennessee.

Boisterous

The selection, the President said today, had the approval of Governor Ronald Reagan, whom Mr. Ford finally defeated for the Republican nomination by 1,187 votes to 1,070 after a protracted, boisterous and by no means entirely amicable session of the convention last night.

Mr. Ford described Senator Dole this morning as "a team player" and this seems to have been the overriding factor in his decision. A two-term Senator, with eight years before that in the House of Representatives, the 53-year-old Mr. Dole is a past party chairman and respected by Republicans as a hard worker and aggressive orator, who cares

more for the state of the party than anything else. Mr. Ford may have remembered that on election night in 1972 Senator Dole, in every other respect a vigorous supporter of former President Nixon, castigated the White House on national television for having sacrificed the party's interest for the sake of ensuring Mr. Nixon's triumph. He will undoubtedly work for the party this November and thus offers an insurance of sorts against catastrophic losses in state and local races across the country.

Senator Dole and President Ford represent identical political philosophies, both formally on the Right wing of the party while out of the clutches of the ultra conservatives. However, although the President went out of his way today to praise Vice-President Rockefeller, who in turn was effusive in his endorsement of Senator Dole, the selection is not likely to overwhelm Republican moderates.

There were some signs today that the true conservatives are also unhappy. The leader of the faltering movement to draft Mr. Reagan as the President's running mate said he was "very disappointed" that Mr. Reagan had not been chosen. He said that above all, in his view, would have unified the party.

Senator Dole brings no regional balance to the ticket. Like President Ford, he is a mid-westerner. Indeed, outside the party faithful, he possesses little national recognition, which will not help Mr. Ford in the West, and in the South, where he is demonstrably weak.

Expertise

His greatest area of expertise has been in agriculture, not surprisingly given his Kansas origin but this means that the Republicans will be presenting a ticket with no provable interest in or understanding of urban problems.

There is also the matter of Watergate. Arguments over which may yet loom large in the next days. The New York Times reported this morning that the President's aides were thinking in terms of a rough campaign against Mr. Jimmy Carter (to be spearheaded by Senator Dole and perhaps by Mr. John Connally).

The obvious Democratic counter would be to evoke Watergate and to remind the country that both President Ford and Senator Dole were among Mr. Nixon's staunchest last-ditch defenders. Mr. Carter, as noncommittal as

Continued on Back Page
Republicans at Kansas, Page 4

Non-aligned summit backs Third World aims

BY ROBERT GRAHAM

COLOMBO, August 19.

A strongly-worded warning, the Heads of State of the 85 non-aligned countries have approved an economic declaration which holds the developed countries responsible for any failure of the North-South dialogue talks in Paris.

As part of the conference's political declaration, a resolution demanded that an oil embargo be placed against France and Israel for selling arms to South Africa. It also called for a United Nations Security Council mandatory arms embargo against South Africa.

The resolution, approved at the close of the four-day meeting, stressed that oil-producing States should cut off petroleum supplies even in the absence of UN action and expressed "deep concern" at the prevailing tension in Southern Africa.

As it stands, the economic declaration is the most clear-cut expression of the philosophy and aims of the non-aligned developing countries, which in effect are the spokesmen for the bulk of the Third World represented at the UN.

Throughout, the language of the declaration is sharper than the original draft. It now stresses the concern and disappointment felt by these countries over progress towards achieving a new international economic order.

Economic issues have become the central focus of the non-aligned movement, and have been the principal area where delegates at this the fifth non-aligned summit have been able to find a modicum of common ground.

The debate over the political declaration, however, has been bitter and drawn out. In particular, resolutions on Korea, the Sahara, Dillibout and conflicting proposals for South-east Asia have proved decisive with a clear cut line-up of radical socialist states opposing the more moderate pro-Western ones—the result being an inconclusive debate on these issues except over Korea where a pro-North Korea resolution was accepted with 15 reservations tabled.

Delegates here at the conference, which is due to end formally later to-night, are conscious that their declarations, particularly the political ones, have traditionally been more words than action. But the economic declaration tonight does seem to mark a change.

It is tougher and more comprehensive than either the Dakar Declaration of 1975 following the conference of developing countries on raw materials, or the Lima Programme for Mutual Assistance and Solidarity agreed by non-aligned Foreign Ministers in August, 1975.

The summit declaration has included an entirely new section in the economic sector, entitled "The present international economic situation and the prospects for developing countries." It outlines the "minimal" progress of discussions in the various international forums towards economic change. It also spells out what the developing countries intend to do.

The thrust of the speeches here has been to support the idea of co-operation as opposed to confrontation in working towards such change.

South African riots. Back Page

South African riots. Back Page

South African riots. Back Page

South African riots. Back Page

South African riots. Back Page

South African riots. Back Page

South African riots. Back Page

South African riots. Back Page

South African riots. Back Page

Minister to meet junior doctors

By Kevin Dore

Junior doctors voted overwhelmingly last night to stage a 24-hour strike on August 31. They also threatened to intensify industrial action unless a "fair solution" was agreed by the Government.

The stoppage may yet be averted, because Mr. David Ennals, Secretary for Social Services, offered further talks to consider "any way of solving the dispute within the pay policy." But he has already told the juniors in a letter this week that the Government has gone to the "absolute limit" in its search for a solution.

The day-long discussions of the British Medical Association's junior hospital staff committee were conducted in a mood of anger and frustration. The committee finally voted 35 to three in favour of an initial 24-hour strike. There were seven abstentions.

At least one area, Norwich, indicated that it would not answer the strike call, but the juniors' chief negotiator, Dr. David Ernst, said he expected strong support on August 31 from the broad mass of the 19,000 junior doctors.

A strike would leave the hospitals without any emergency cover except for any limited provision that might be made by consultants from 9 a.m. on August 31. "We are not trying to have any patient die," said Dr. Ernst, but he agreed that a strike might bring tragedy.

The junior doctors feel that the Government is breaking an agreement reached this year to make usual overtime payments during holiday periods of study leave.

Rather than allow the present industrial action to drag on—juniors in many areas are working only a 48-hour week—the doctors want to bring about a rapid solution. Dr. Ernst said that the letter from Mr. Ennals still distorted the facts, misled the public, and made claims that were dishonest.

But the hospital junior staff committee has accepted that Mr. Ennals is prepared to consider other ways of solving the dispute, and said it is confident that fair implementation of the earlier agreement can be achieved.

This was welcomed last night by Mr. Ennals.

Editorial Comment, Page 14

U.S. probes Burmah aid applications

BY STEWART FLEMING IN NEW YORK AND JOHN WYLES IN LONDON

INVESTIGATIONS are under way in the U.S. into allegations that Burmah Oil Company has applied for Federal shipbuilding aid to which it may not be entitled as well as making improper payments to Indonesian officials to secure a major contract.

Last night Burmah categorically denied that "any fraud was involved in the applications for financing assistance from the U.S. Maritime Administration." These, a statement said, were made in full accord with the laws of the U.S.

Under the U.S. Merchant Marine Act, construction subsidies of up to 35 per cent, and credit guarantees of up to 85 per cent, are available only to American companies. Burmah's ships are being built to the account of a company called Cherokee Shipping Corporation.

The validity of applications for Federal aid turns on the fact that the directors of Cherokee are all American citizens and, therefore, on the surface, entitled to shipbuilding aid.

A Maritime Administration spokesman admitted yesterday that if Cherokee is controlled by Burmah, this would "taint" the American company's citizenship.

However, commenting on the New York Times story, the spokesman said that the Agency did not have evidence casting doubts on the legality of the Burmah contracts.

Meanwhile, in Washington a spokesman for the House of Representatives Government Operations Committee confirmed that it had made "inquiries" of the Maritime Administration on the validity of applications for Government guarantees to cover the cost of building the ships.

under way for General Dynamics to take an equity holding in the ships. Final agreement has not been announced but Burmah's statement asserted that the ships "will be owned by several U.S. corporations including General Dynamics and will be chartered to subsidiaries of Energy Transportation Corporation, a U.S. body which is in no way affiliated with Burmah."

Question of ownership is crucial for applications for Federal shipbuilding aid.

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FEATURES	
The world of earthquakes prediction ...	14
The cost of sex equality in pensions ...	15
How two large companies are saving water ...	13
North Sea oil ...	12
The international bond market ...	20
ON OTHER PAGES	
Appointments ...	19
Letters ...	18
Management Page ...	13
Man and Motors ...	14
Co. News ...	16, 18, 19, 21
Mining Market ...	22
Money Market ...	24
Overseas News ...	44
Property ...	10 & 13
Racing ...	4
Salerooms ...	7
Share Information ...	26 & 27
Stock Exch. Report ...	2
The Technical Panel ...	13
Today's Events ...	2
TV and Radio ...	2
Home News ...	7 & 11
Unit Trusts ...	26
Wall St. & Overseas ...	27
Weather ...	28
World Trade News ...	6
Yachting ...	16
ANNUAL STATEMENTS	
Dunlop Company ...	17
J. H. B. & Sons ...	21
Magnel & Southern ...	16
RFD Group ...	19
Sec. Gen. of Boleo ...	22
Uniaqua ...	8
INTERIM STATEMENTS	
Anglo-Ind. Invest. ...	12
J. H. B. & Sons ...	21
Jardine Japan Inv. ...	4
Johnson Cleaners ...	19
London Brick Co. ...	21
Woodhouse & Rixson ...	21
Inv. Valuations	
Base Listing Rate ...	24
World Value of ...	6
Bank of America ...	21

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WORLD TRADE NEWS

IN BRIEF

Fibre sales to Europe increase by half

Britain's man-made fibre producers managed to increase their sales to other EEC countries by more than half in the first six months of 1976 and are now selling more than one third of their output within the Community.

The industry, though still generally losing money as a result of continued weak prices for most of its products, made some recovery in output in the January-June period with total production exceeding the very depressed levels in the first half of 1975 by 14.2 per cent.

The improvement was strongest in export markets where a 20 per cent increase in value was recorded, enabling the industry to return to surplus in overseas trade after the small deficit last year. Total sales of fibres, yarns and fabrics in the first six months in export markets came to £214.4m, with imports at £211.7m.

Sales to EEC countries totalled £78.3m, representing 36.5 per cent of all exports against 30 per cent in the first half of 1975. Purchases from the EEC at £118.1m, accounted for more than half of U.K. imports.

Swiss arms exports

Switzerland exported arms worth Sw.Frs.219m, (about £30m.) in the first half of this year, about 16 per cent more than in the same period of 1975, the Swiss Government said yesterday. Chief customers were Iran, Netherlands, West Germany, Spain and Austria.

Rail vans for N.Z.

Japan's Mitsubishi Heavy Industries has been awarded a contract to supply 17 additional guards vans for New Zealand railways. The vans are in addition to 56 vans ordered by New Zealand last year from the same company.

Jordan contract

The French companies Heurty and Spie Batignolles of Paris will build a \$70m. fertiliser plant at Jordan port town of Anaba on the Red Sea. The project is expected to be operational in late 1979, and in addition to fertilisers, will produce 2,000 tons of sulphuric acid and 1,000 tons of phosphoric acid daily.

Delay on Bolivian agreement

By Hugh O'Shaughnessy

THE SIGNATURE of a \$75m. loan agreement between the Bolivian Government and a consortium of banks led by Citicorp did not take place yesterday as announced.

Sr. Carlos Calvo, the Bolivian finance minister, in London for the signing, said that a number of legal matters remained to be settled but that he expected the agreement to be signed in the next few days in New York.

Mary Campbell adds: The precise nature of the problem or problems which caused the postponement was the subject of a number of rumours in the City yesterday, including suggestions that last minute changes in the legal conditions in the loan could not be agreed by all the participating banks in time.

Citicorp, the lead manager, said that the loan agreement would be signed very soon on the same terms and conditions and that the hold-up was due to a mechanical problem regarding powers of attorney.

The postponement of loan signings is by no means uncommon in the European market up to a couple of days before the date which has been fixed.

For a signing to be postponed when a Finance Minister has already reached London and within hours of the time fixed is, however, very unusual.

Final talks on Brazilian oil contracts expected

BY DAVID WHITE

BRASILIA, August 19.

BRITISH PETROLEUM is expected to be the first international oil company to start detailed negotiations with Brazil on an exploration contract, likely to be signed before the end of the year.

Applications for the contracts, which will bring foreign groups into Brazilian exploration for the first time since the 1930s, closed last month with only five groups still in the running out of 40 that the Brazilian Government had invited to present proposals.

The others, expected to start negotiations over the next few months are: Shell International of Holland in conjunction with its U.S. associate, Shell Oil, Texaco, Exxon, and Elf-Aquitaine of France together with Italy's Agip.

Several other companies such as Mobil and Gulf, had gone so far as to purchase geological surveys from the Brazilian state oil group, Petrobras, but are believed to have been put off by the difficult terms of the initial draft contract put before them.

The delay in getting the contracts off the ground—President

Geisel first announced the plan last October—and the tough conditions of the first draft reflect serious divisions within Petrobras and in other Government circles, over the principle of foreign exploration.

The deals are to be strictly on a "service" basis: that is, the oil remains in Petrobras's hands, while prospectors will be compensated for their outlay if and when oil is found in the exploration regions.

The desistence of other foreign groups means that several of the 10 areas designated for foreign exploration will have found no takers. These are believed to be the central Amazon region, where Petrobras itself has made several unsuccessful forays, and other areas off the north-eastern coast and off the southern State of Rio Grande do Sul.

BP is understood to be interested in two regions, one in the Amazon basin, the other off Santos in Sao Paulo State, in which Elf is also believed to want to explore.

Shell is thought to be interested in another part of the Amazon basin and Texaco and Exxon in areas off south-east

Brazil. Shell, Exxon and Texaco all have extensive petrol distribution operations in Brazil.

Foreign oil representatives say they expect substantial changes to be made in the draft contracts, especially on terms of payment.

The opposition lobby against the contracts has piled down some what in the few months, partly because of strong pressure from President Geisel and partly because of the seriousness of Brazil's balance-of-payments situation, according to informed sources here.

Brazilian oil production, which now all comes from Petrobras, this year has dropped by about 2 per cent, and now stands at just under 175,000 barrels per day, but this level is expected to increase by the end of the year as new offshore wells come on stream.

The Petrobras field of Campos off Rio de Janeiro is believed to have foreign oil exports to a capacity of 270,000 b/d by 1978 and possibly 500,000 b/d by 1980, when domestic consumption is expected to be 1.2m b/d. Production currently covers less than 20 per cent of Brazil's needs.

BAC hopes for sales in Japan

BY CHARLES SMITH

TOKYO, August 19.

THE British Aircraft Corporation is to fly a short take-off version of the BAC One-Eleven to Japan in October in a bid to sell the aircraft to Japanese domestic airlines including All Nippon Airways and Toa Domestic Airways.

The BAC One-Eleven-475 will appear at the Japan Aerospace Show at Iruma airbase outside Tokyo and will make demonstration flights to a number of Japan's remote areas where its STOL capabilities would be useful.

The itinerary will probably include a visit to Hokkaido, the main northern island of Japan which has numerous airports of 1,200 metres. At the aerospace show BAC expects to share some facilities with Rolls-Royce which will be displaying aero-engines.

BAC's decision to attend the air show means that there will after all be representation by a

U.K. aircraft manufacturer. Previously no U.K. aircraft companies were to have been present at Iruma, ostensibly because the Japan air show comes too close to the Farnborough Show for the transfer of aircraft and display material from one to the other.

BAC hopes to sell the BAC One-Eleven-475 to Japan as a replacement for the Japanese-made YS-11 aircraft which is at present the only aircraft in service to many outlying areas of the country. The One-Eleven-475 has a seating capacity of 39 compared with the YS-11's 44 and is a jet-engined aircraft whereas the YS-11 is powered by turbo-prop engines.

Japanese Airlines has been talking of an aircraft with a seating capacity of 100 or so to replace the YS-11. BAC believes there is flexibility on this point.

An additional attraction could

be that modification will have to be made to the One-Eleven-475 to suit it to Japanese flying conditions, and this would be carried out by the Japanese aircraft industry.

BAC also plans to offer Japan the export version of the One-Eleven-475, which has strong hopes of selling the One-Eleven-475. The aircraft will be visiting the Philippines on its way home from Japan in October.

The One-Eleven-475 is not to be confused with another modification, the One-Eleven-700 which BAC has been proposing as the object of a joint development programme with the Japanese aircraft industry. The 700 programme would constitute a major joint venture between Japan and Britain but has yet to receive the blessing of the Ministry of International Trade and Industry.

MIDDLE EAST CONTRACTS

The importance of majlis

BY KATHLEEN BISHTAWI IN DUBAI

"The one thing I do not wish to become is one of those fat tycoons," says Ahmed Baquer, the young managing director of Dubai Transport Company, which has scooped up \$300m. of contracts for the new Jebel Ali deepwater port.

"I want to remain in touch with my staff, not sit in a big office with five secretaries outside, receiving reports. When I have some free time in the evening I go down to the site and drive the bulldozers for two hours."

Last week this young uncharacteristic Dubai merchant scooped them all, for while the foreign construction conglomerates were still pondering about the possibilities of tendering for the renowned deepwater port at Jebel Ali, Ahmed had already spent weeks convincing Sheikh Rashid, the ruler, to give him the contract.

The success for Dubai Transport meant a great day for Baquer, for his company is in joint ventures with Costain Blankenfort International Dredging, and with Balfour Beatty Construction. The agreement was signed in February this year, only weeks before Sheikh Rashid had decided on his massive 74-birth development.

The question everybody in Dubai is asking is how did he do it? Naturally he is reticent to say, but one factor that may have helped was that he was

around the ruler when he decided to make Jebel Ali. New Rotterdam at the Gulf.

"I get up every day at 4.30 in the morning to go and see Sheikh Rashid at his majlis," he explained. (The majlis is where Sheikh and Rulers receive the subjects every day to hear their complaints and problems.) Ahmed Baquer has been going to Sheikh Rashid's early morning majlis every day for the past 10 years.

Three months ago, Sheikh Rashid and his court took off to Hessa, an area near Jebel Ali, and as his custom, pitched his tents on the coastline there for a short holiday. "Sheikh Rashid is a very serious man, he keeps his ideas to himself until he has worked them out thoroughly in his mind."

But one day when I went to his camp near Jebel Ali, he mentioned to me about his idea to develop the area. At that time he was thinking of making it a tourist area with a yachting marina, hotels and so on.

"I don't know when he changed his mind about making it into an industrial area, but a few weeks later at the Majlis he told me. From then on I spent several weeks convincing him to give me the contract. It was a hard job because we are a relatively small company, but I did it in the end."

From that day, he was sworn to secrecy until early last week when Sheikh Rashid unveiled his

plans and signed the contracts. A Costain Blankenfort man said the first they heard about it was a telex six weeks ago from the Dubai government telling them to get their dredgers to work in Jebel Ali.

Many contractors at last week's signing ceremony in Dubai were not fully aware just how much work they had been awarded or the value of it. The Japanese have gone home not knowing how much steel they have to provide.

One theory as to why Sheikh Rashid gave this massive construction to this small local construction company in Dubai is that Ahmed Baquer is a company owner and instead of acting as a mere agent or sleeping partner of foreign contracting companies.

For the Baquers are not one of Dubai's old merchant families, far from it. Ahmed's uncle Yussef and his father started in business as owners of a small grocery shop in the old Souk, and after the war decided to plough their savings into an old Dodge truck.

Dubai transport company first began ferrying water in tin cans to the pearling dhows in Dubai. Four years later, when Ahmed was the age of 15, entered the business, uncle Yussef had four trucks running water to construction sites.

"I decided that construction would be the business of the future, and we started off by building temporary sand-roads. Since then every contract we have done is for Sheikh Rashid. The first big one we got was for town roads, worth about 280,000 sterling."

Even now, the offices of the Dubai Transport Company resemble a rather broken down garage, and Ahmed himself sits in a poky office in the back.

"What now, now that he has got the largest contract of them all?" "I am off on holiday," he says. "To Iceland. At least there, I am certain of not seeing any Arabs and end up doing business."

ISRAEL EXPORTS MORE GROUNDNUTS

TEL AVIV, August 19.

THE Israeli Groundnut Marketing Board has signed a contract with foreign buyers for the sale of 10,000 tonnes of groundnuts out of the total of 12,000 tonnes likely to be available for export. This would represent a 2,500 tonne increase on 1975 exports. Due to the increase in quantity and better prices obtained in the forward sales, income from this year's exports are seen at \$10m, or a third more than in 1975.

The increase in quantity has been made possible by a 20 per cent increase in the area cultivated to 16,000 acres. As a result, the total crop (harvesting of which will begin at the beginning of September) is likely to reach 22,500 tonnes, compared with 17,500 tonnes a year ago, according to the Board's estimates.

AMERICAN NEWS

U.S. troops on alert in Korea

BY DAVID BUCHAN

WASHINGTON, August 19.

THE UNITED STATES has placed its 42,000 troops in South Korea on alert following a Pueblo incident of 1967 when an American ship was captured by the North Korean Government after North Korean soldiers yesterday clubbed to death two American officers in the peninsula's demilitarised zone.

At the same time as the Pentagon announced the alert, U.S. and North Korean delegates were meeting in the Military Armistice Commission at Panmunjom—a meeting expected to be marked by heated exchanges of charges. Yesterday President Ford and Secretary of State Henry Kissinger condemned the killings as "outrageous, vicious and unprovoked murder."

State Department officials have been told that the increased state of readiness does not constitute a war footing, and that no U.S. forces outside Korea were involved in the alert yet. Intelligence gathering by the U.S. has been stepped up.

although U.S. officials said that there would be no repeat of the Pueblo incident of 1967 when an American ship was captured by the North Koreans. Last year Mr. James Schlesinger, then Secretary of Defence, revealed that the U.S. had nuclear weapons in the South Korean demilitarised zone.

The deaths of the two officers who were leading a working party of U.S. troops to inspect the demilitarised zone were all discovered by U.S. and South Korean troops before any use could be made of them.

The latest incidents come only a month after Dr. Kissinger proposed a four power conference with the U.S., U.N. and the two Koreas to discuss a possible new mechanism to replace the existing armistice machinery. The principle aim of this was to try to get North Korea to talk to the South Koreans. But North Korea, which refuses to talk to the South, has remained only

interested in signing a treaty with the U.S. which would get U.S. troops withdrawn. Kissinger and the Ford Administration have refused to withdraw American troops, unlike some North Korean cessions in return.

Democrats in the Congress, the Democratic Presidential candidate, Mr. Jimmy Carter, by contrast, urged a gradual pull out of U.S. troops. They have also called for a withdrawal from American aid South Korea, though in fact they still aid a new very small Seoul regime and the 60 Koreans now buy most of their American weapons. The Democrats have harped on the human rights for South Korea under President Park, but the main argument for a standing American commitment in the Korea. But this humanism concern may now be shadowed by military fears that the North Koreans

not have got the nominees. Never has a challenge to incumbent President come close to success.

In the event, last night Ford's effort seemed much weaker. Mr. Ford's support, through the long Reagan campaign, listened attentively to the speech by Mr. Ford's son-in-law, Mr. Donald Trump, who was a single fresh p... and then at the first of Mr. Ford, launched a series of balloons and streamers, the unsupervised convention. This sudden show of support for Mr. Ford was effective. Mr. Ford's son-in-law, Mr. Donald Trump, who was a single fresh p... and then at the first of Mr. Ford, launched a series of balloons and streamers, the unsupervised convention. This sudden show of support for Mr. Ford was effective.

Economic growth slower in U.S.

Revised gross national product figures indicate that the U.S. economy grew less than half as fast in the second quarter of the year than in the first quarter when it advanced 9.2 per cent. Washington staff writers' total output of goods and services is now calculated to have grown at an annual rate of 4.7 per cent, or 4.1 per cent slower than indicated in figures released last month.

Partly, the lower figure for real growth was due to a revised index of August 1, from 88 on April 28, it was learned from a quarterly report filed with the Securities and Exchange Commission, AP-DJ reports from Richmond. Robbins has so far paid about \$1m. in legal fees and is expected to pay more. Some 216 claims which have not evolved into litigation are still being evaluated by Robbins' insurer.

Reagan supporters' final fling delays Ford victory

BY DAVID BELL

KANSAS CITY, August 19.

FOR MORE than an hour last night, the Republican convention came to a virtual halt as Mr. Ronald Reagan's supporters, quite unheeded by the sure prospect of defeat, staged one last, loud demonstration on his behalf.

Special plastic horns drowned out the chairman and even silenced the convention band, whose repeated attempts to end the show of support with renditions of God Bless America were behind schedule. Mr. Ford's eventually abandoned. In the process, the Reagan demonstration put the convention so far behind that it was not until after prime television time every where except in California, which is three hours behind the East Coast.

More months—a reference to the fact that in four months, they hope, Gerald Ford will have been defeated by Jimmy Carter.

When West Virginia cast the top, one young woman burst into tears. But this was not the reaction of the more conservative Reagan people. In a curious way, they seem to welcome defeat. As a further sign that only one party were conservative, banner whose time must come one day.

In this, many of them are much more determined than Mr. Reagan himself, who has proved a pragmatic campaigner and is not likely to give his hearted support to the President.

But for the most part, the support seemed well-timed. Mr. Ford's son-in-law, Mr. Donald Trump, who was a single fresh p... and then at the first of Mr. Ford, launched a series of balloons and streamers, the unsupervised convention. This sudden show of support for Mr. Ford was effective.

Import loophole

Despite a move by the U.S. Agriculture Department to crack down on back-door meat imports through Puerto Rico, Representative John Pickens says that another loophole exists, through which foreign beef can be dumped on the U.S. market. AP-DJ reports from Washington. He said that an interpretation by the U.S. Treasury Department allows foreign meat to be chopped into pieces before it leaves the country of origin and then come into the U.S. without being subject to quota restrictions.

IUD suits grow

The number of civil actions against A. H. Robbins, alleging death and injuries caused by the company's Dalkon Shield intra-uterine device has grown to 506 by August 1. From 588 on April 28, it was learned from a quarterly report filed with the Securities and Exchange Commission, AP-DJ reports from Richmond. Robbins has so far paid about \$1m. in legal fees and is expected to pay more. Some 216 claims which have not evolved into litigation are still being evaluated by Robbins' insurer.

Bankers' Trust bid

The Federal Reserve Board has denied the application of Bankers Trust New York City to acquire First National Bank of Mexico City, AP-DJ reports from Washington. Bankers Trust, the Fed said, "has been experiencing financial difficulties that have detracted from its overall financial soundness and its ability to serve as a source of strength for its subsidiaries." The Fed said that the application "would be a burden on the Federal Reserve Board's resources."

Merger probe ends

The U.S. Justice Department's antitrust division has closed its investigation into the merger of Mobil Oil and Marcor, according to the New York Times, AP-DJ reports from New York. A Justice Department spokesman said the investigation "was closed at the end of last week. Apparently the investigation turned up insufficient information to take action against the July 1 merger."

Uruguay resignation

Economy Minister Alejandro Vezh Villegas, credited with pushing Uruguay out of near economic chaos, has tendered his resignation, sources close to him have said. AP-DJ reports from Montevideo. Other sources said that Villegas had been offered to resign. There was no confirmation and it was not known if the resignations were accepted. The development came 15 days before Vezh Villegas was to take office as new President.

Custody dispute

A 16-year-old Swedish girl who came to Canada to visit her divorced mother has wound up temporarily as a ward of the state. UPI reports from Vancouver. The mother, Norwegian-born Rigmor Madson, claimed on Wednesday that the Swedish consul-general in Vancouver, Mr. Karl Stahl, had "influenced" the girl and her mother to reject her mother. She said she wanted her daughter, Lilla Rondestrom, to remain in Canada "until she settles down and we know where her best interests lie. But the consul was returned to Sweden as quickly as possible to hide past wrongdoing by Swedish authorities in the case," she said.

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Lockheed launches JetStar II

By Michael Donohue

Aerospace Correspondent

LOCKHEED Aircraft Co. has launched a new JetStar II, a four-engine 100-seat aircraft, with a range of 4,000 miles. The aircraft is a new development, made in modified Lockheed's Marietta. It is the last of a new series of aircraft, the JetStar II, which is a four-engine 100-seat aircraft, with a range of 4,000 miles. The aircraft is a new development, made in modified Lockheed's Marietta. It is the last of a new series of aircraft, the JetStar II, which is a four-engine 100-seat aircraft, with a range of 4,000 miles.

Four JDL members charged

NEW YORK, August 19.

FOUR MEMBERS of the Jewish Defense League have been indicted on charges of firing shots into Soviet consular residences here, bombing a New Jersey station and attempting to assassinate a U.S. attorney. U.S. Attorney Robert J. Callahan said the charges were filed yesterday in federal court. The defendants are: William M. (Bud) Weiss, 38, of New York; Thomas Macintosh (38), of New York; and two others, whose names were not disclosed.

U.S.-Canada TV talks

WASHINGTON, August 19.

now "a fact of life" and non-negotiable.

Mr. Allan MacEachern, Canadian Secretary of State for External Affairs, spoke with reporters at the close of two days of discussions with Secretary of State Dr. Henry Kissinger.

He said that in his talks with Dr. Kissinger, "I made it quite clear that the Bill was not negotiable. It is not negotiable."

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OVERSEAS NEWS

THE LOCKHEED PAYMENTS

More Japanese arrests likely

BY CHARLES SMITH

OTHER arrests of Japanese politicians in connection with the Lockheed affair were said to be imminent tonight. It does not appear, however, that the police are contemplating action against members of the present Japanese Cabinet or against Mr. Saito Nakasone, the Secretary-General of the Liberal Democratic Party, who has been the target of numerous rumours in the past few days. The men chosen for arrest will be politicians connected with the Ministry of Transport during the period in which Lockheed was campaigning to secure a contract for the domestic line All Nippon Airways. In the case of ex-Prime Minister Kakuei Tanaka, who was indicted for bribery on Monday, the charges will be either acceptance of Lockheed pay-offs or breaches of Japan's foreign exchange control laws. The sums involved are likely to be much smaller than the ¥500m. believed to have been taken by Mr. Tanaka. The next wave of arrests could prove to be the last in the political phase of the Lockheed affair though there remains the chance that at least one prominent businessman will be arrested. If the political phase is now ending the stage will be cleared for the Liberal Democratic Party to devote its full attention to the internal power struggle which has been gaining in intensity during the past two weeks.

The struggle centres round a bid by two of the party's top

faction leaders to force the resignation of the Prime Minister, Mr. Takeo Miki, on the grounds that he lacks the authority to pull the party together in time for a crucial general election due this winter. Mr. Miki's two main opponents are Mr. Takeo Fukuda, now Deputy Prime Minister, and the man most likely to become Prime Minister if the anti-Miki campaign succeeds, Mr. Masayoshi Ohira, currently Minister of Finance. The party faction formerly led by Mr. Tanaka is also campaigning strongly against Mr. Miki.

In order to force Mr. Miki to resign his opponents must convene a special assembly of the Liberal Democratic Dietmen at which a two-thirds majority vote will be needed to procure a

change of leadership. Mr. Miki is unlikely to let the matter reach the point where he is actually turned out of office by a vote and may prefer to negotiate a more

seemly withdrawal with his opponents. No one knows if or when this is likely to happen but the anti-Miki group was claiming today that it had already collected the number of signatures of LDP members needed to convene a special assembly.

Mr. Miki has won credit from the general public for his determination to unravel the Lockheed affair but his persistence has made him unpopular inside the party. Now that the affair is largely out in the open party leaders opposing Mr. Miki no longer risk being accused of trying to cover up Lockheed if they call for his resignation.

Egypt and Libya relations worsen

By Our Own Correspondent

CAIRO, August 19.

EGYPT HAS asked Libya to close the Alexandria branch of the Libyan Relations Office. Egyptian newspapers reported today that the request followed demonstrations by Egyptians outside the office following last week-end's bomb explosion on a passenger train in the Mediterranean port which killed eight people and injured more than 50.

Blame for the bomb outrage, the second in two weeks, was placed on Libya's Colonel Khedafi and three suspects, injured in the train blast, are still being held.

Meanwhile, six alleged Libyan recruited agents have been arrested as Egypt continues its border build-up along the Western Desert frontier with Libya. The popular newspaper Al Akhbar today reported that the six agents from the Siwa oasis area had received training in Libya.

Siwa, south and west of the Mediterranean port of Marsa Matruh, is the nearest large Egyptian settlement in the Libyan frontier. It has been a sensitive area since the uncovering of a Libyan plot in the summer of 1975 to subvert the Egyptian desert tribes.

Egypt and Sudan, joined by the 25 year defence pact signed after the recent coup attempt in Khartoum, are apparently coordinating a build-up of forces along their respective borders with Libya. Reports from Khartoum have indicated that Sudanese troops have advanced north-westwards towards the frontier with Libya with orders to shoot at anything crossing.

It remains to be seen whether the Egyptian build-up in the Western Desert will develop into more than simply tighter border security. The Egyptian Press reacted indignantly to a call by Sheikh Saïd el Abdullah, Kuwait's Defence and Interior Minister, for Egyptian forces to be pulled back.

Palestinians and left wing reject Syrian peace plan

BY IHSAN HIJAZI

BEIRUT, August 19.

THE Palestinian guerrilla movement and the Lebanese Muslim and left wing forces have rejected new Syrian proposals for a truce in Lebanon, and set aside the Arab League initiative while their leaders continue to talk of a long battle ahead.

According to left wing-controlled Beirut radio the decision was taken by the Central Leadership of the Palestinian revolution and the National Movement, which comprises the Palestine Liberation Organisation under Mr. Yasser Arafat and the left wing Muslim alliance under Mr. Kamal Jumblatt.

The Syrian proposals calling for participation by pro-Damascus Lebanese leaders in a proposed Ceasefire Commission were brought here earlier this week by Mr. Abu Zaid Omar Dourdag, the under-secretary of the Syrian foreign ministry, who had met President Hafez Assad in Damascus.

The radio said that the leader-

ship decided to set aside the resolutions on Lebanon adopted by the Arab League in June last week. The strategy is aimed at the dispatch of 2,300 Syrian, Sudanese, Saudi and Libyan troops to Lebanon.

The guerrillas and the left-wing have been dismayed by what they see as the ineffectiveness of the force and the failure by the Arab League to enforce the resolution providing for the withdrawal of Syrian troops from Lebanon.

The decision came as Dr. Hassan Sabry al Kholy, the Special Arab League envoy in Lebanon, was holding consultations in Cairo with Arab League secretary-general Mahmoud Riad on the question of increasing the strength of the Arab Peace-keeping force to 10,000 men.

It also came as discussions were underway for the holding of an Arab summit conference to discuss the Lebanese crisis. Observers believe the move falls within the Palestinian-left wing strategy formulated after Christian attack.

Observers saw significance in the fact that while up to now Mr. Jumblatt depended on fighters from Left-wing political parties, he has now resorted directly to his hard-core Druze supporters. He has told them they must rejoin the eastern hilltops of Sanin, Ain Toubah and Al Metein, and warned them that if they do not fight the wolf there the wolf will come to their own back door. These places are under threat of imminent Christian attack.

Oman's budget rises by 20%

BY BARBARA CASASSUS

MUSCAT, August 19.

OMAN HAS increased its annual budget by nearly 180m. Omani rials for the current calendar year, bringing it to R0438m. compared with R0350m. in 1975, an increase of 20 per cent.

Although the figures were drawn up several months ago and some were released provisionally in May, they have only just been finalised, approved by the ruler Sultan Qabus and published in the fortnightly official gazette.

Estimated Government revenue for 1976 totals R0495m, showing a shortfall against planned expenditure of R0141m. However, this is being met in part by 1975, pushing it up to R053m. Officials attribute this mainly to a more effective collection of corporation tax. It

was introduced in 1971, but not until the beginning of last year was a Department of Revenue established to be responsible for its implementation. One of the department's first acts was to remove exemption for contractors working on Government projects.

Of the defence budget, capital expenditure will amount to R0158m, an increase of R038.2m. against 1975, and civil development projects will account for R0101m, compared with R0172.3m. last year. The Ministry of Communications, which controls roads, sea and air ports, water and electricity supply and telecommunications, has by far the largest allocation for development, with R0124.5m. for development, approximately R027m. more than in 1975.

leaving a deficit of R031m. According to published spending figures, defence and national security will account for R0274.5m. over R023m. more than in the revised budget for 1975; civil expenditure will be R0239m. (R0237.3m. last year); the Government's participation in Petroleum Development (Oman) will be R028m. (R026.8m.); and loan repayments and interest R044.8m. (R015m.).

Although oil will represent the major share of revenue at R0470m., an increase of nearly R083m. over last year, income from other sources is calculated at 127 per cent. higher than in 1975, pushing it up to R053m. against R0101m. Officials attribute this mainly to a more effective collection of corporation tax. It

Porters' Tokyo to co-sponsor Korean resolution

By Douglas Ramsey

TOKYO, August 19. AN hopes to co-sponsor a South Korea resolution at the United Nations General Assembly in September to enter the one drafted and submitted by 24 pro-North Korea nations on Monday, according to the Foreign Ministry here. A spokesman said that Japan will confer in New York with other countries about the timing of the counter resolution which should be finalised submitted inside the fortnight.

Two points have already been agreed by Japan and its allies: the semantic effort. First, resolution will propose a "resumption of dialogue" between the North and South. Second, and more important, will call for a conference of concerned parties, including Seoul and Pyongyang to discuss "lasting measures" applicable to all, which could ease the existing armistice and make it possible to disband the existing United Nations command in South Korea," the spokesman said.

The Foreign Ministry feels, despite a year's harder line on this matter in the Communist

ANMUNJOM, Korea, Aug. 19. NORTH KOREAN President Kim Il-Sung ordered all his military forces into a state of "immediate readiness" today after Pentagon got U.S. State Department alert here because of the "deliberate murder" of American army officers by North Korean guards. Mr. Kim's order applied to regular armed forces of North Korea, the South Korean government said in a statement issued in Seoul.

A statement issued in Seoul said that the two Americans were killed yesterday near the truce village Panmunjom where the two

blue resolution, there are chances of getting the two countries' version through the General Assembly. Last year, the matter was left stalemate when neither side had enough votes to have a resolution adopted (although communist manifesto polled in the final vote on the 19th floor). This time, the spokesman said, the making efforts to find solutions to get the support of more States.

Japan is not the only country, claims it will get support this year at the Assembly for the resolution will presumably co-sponsor the United States, and European as well as countries.

rees in Tokyo say the Ministry has become singly alarmed by new across the demilitarised zone between North and South, particularly the murder of American officers in the zone.

partly explains Japan's of heart after earlier that it did not want to get up again in a war of with North Korea, after its fruitless debate at the

its position hardened, after seeing the details Communist draft resolution

NZ Government heading for showdown with trade unions

BY DAI HAYWARD

WELLINGTON, August 19.

WITH New Zealand in the grip of the worst industrial unrest since 1951, Prime Minister Robert Muldoon has now introduced tough anti-union legislation so that over time bans, go-slows and other industrial action by unions will in future be treated as full strikes. At the same time, employers have been given the right to dismiss immediately men thrown out of work by industrial disruption.

This has angered unions. Many will defy the Government and stage 24- and 48-hour strikes on Monday and Tuesday. Drivers will bring the country to a total standstill with all road movement from milk deliveries to transporting lambs to killing works halted. Engineering firms, freezing works and others will swell the strike.

Labour Minister Peter Gordon says New Zealand faces a "grave industrial situation." Rolling

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Uganda demand rejected

TEL AVIV, August 19.

GOVERNMENT OFFICIALS today, laughed off a telegram from President Idi Amin of Uganda, demanding compensation for the Israeli raid at Entebbe Airport.

"We do not attach significance to this," one official said. The message set a seven-day deadline for Prime Minister Yitzhak Rabin to say whether Israel would "compensate" Uganda for the life and property destroyed as well as for the expenses which Uganda incurred on hospitalising the hostages on the French Airbus.

"I am not joking," the Ugandan leader said. "We reserve the right and are determined to do everything within our power, including shedding our blood, in order to pay back."

The Israeli raid on July 3, rescued more than 100 hostages held by Arab and German guerrillas who hijacked an Air France aircraft after take-off from Athens a week before.

More than 20 Ugandan soldiers, seven guerrillas and one Israeli soldier were killed in the fighting, along with two hostages. A third hostage was missing after being left behind in a Kampala hospital.

"As of now I cannot tell you how and when we intend to pay back, but it is up to you to inform me expeditiously and directly whether Israel will compensate Uganda," the message said.

It was signed, "Al-Hajji Field Marshal Dr. Idi Amin Dada, VC, DSO, MC, Life President of the Republic of Uganda."

Uganda's demand for compensation was rejected by the Israeli government.

The Israeli government said it was not prepared to pay compensation for the lives and property destroyed as well as for the expenses which Uganda incurred on hospitalising the hostages on the French Airbus.

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Atom team visits Pakistan

BY OUR OWN CORRESPONDENT

KARACHI, August 19.

A FIVE-MEMBER team of experts from the well-known Swedish manufacturers of nuclear power plants, Asea Atom, arrived here today to assess the extent to which local industries may contribute towards the construction of a 600 megawatt nuclear power plant at Chashma.

According to the Pakistan Atomic Energy Commission, the experts would discuss various matters relating to the construction of the nuclear power plant.

They would examine the plant site and visit various industries. The visit was intended to provide Asea Atom with an opportunity to familiarise itself with local conditions before submitting proposals in response to formal invitations to tenders by the Pakistan Atomic Energy Commission. Asea Atom has recently secured orders to supply two reactors to Finland. The company also provides a full set of fuel fabrication services.

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EUROPEAN NEWS

Danish Government wins vital votes for economic measures

BY HILARY BARNES COPENHAGEN, August 19.

DENMARK'S Social Democratic minority Government succeeded early today in winning the support of the Conservative Party and thus securing a parliamentary majority for its economic stabilisation programme, which includes steep increases in road vehicle tax and purchase tax on alcoholic drink, tobacco, sugar, tea, coffee and petrol.

The Conservatives, which have only nine MPs, agreed to support the Government after winning several small concessions, the most concrete of which is a reduction of a proposed Kr.1 (10p) tax on bank cheques. They also received an assurance that the tax increase would be limited to two years.

The measures were due to receive their final readings late today in the Folketing (Parliament), and although surprise was possible in a 10-party Parliament, the Government appeared to be safe. The measures were prompted by this year's big-pending and import boom and a record first-half current balance of payments deficit.

To-day's remarkable political agreement came about after strong pressure on the Conservatives from the business community to help stabilise the economic and political situation. The Government is also supported by the small middle-of-the-road parties—Radicals, Centre Democrats and Christian People's. The Conservatives were designated in the last election, and recent polls indicate their number would be halved in an election now.

The Conservative volte-face also leaves the largest opposition party, the Liberals, isolated, and political commentators are saying that even if there was a new election, the chances would be negligible of forming a government that would not be dominated by the Social Democrats.

The Liberals, however, have stood by their arguments that the Government's policies will not achieve its predictions of price and income stability and reduced budget and balance of payments deficits. Liberal leaders forecast to-day that within a few months the economy would be back where it is now and that the Folketing would then be forced to take tougher measures.

The trade unions are up in arms against the measures, which seek to limit wage increases to 6 per cent. in 1977 and 1978. TUC chairman Thomas Nielsen to-day called the measures "legalised theft."

Abortions for three more after Seveso gas escape

MILAN, August 19.

THREE MORE women exposed to the poison gas dioxin which escaped from a plant in northern Italy underwent abortions today to avoid the risk of giving birth to deformed children.

The operations brought to six the number of women exposed to the poison who have had abortions. Another nine are on a waiting list for the operation.

Hospital officials said the three women who underwent abortions to-day were between 30 and 40 and in the eighth to twelfth weeks of pregnancy.

The women were exposed to a chemical cloud containing the dioxin which escaped from the Swiss-owned Icmesa chemical plant at Seveso on July 10.

Authorities have evacuated more than 800 people from their homes near the plant and treated more than 500 for various illnesses resulting from the contamination.

The surgeon who performed the abortions said 149 women in the first 15 weeks of pregnancy were exposed to the poison and that 15 of them had applied for abortions.

The abortions were made possible when the Justice Ministry in Rome ruled that the exposed women were eligible for the operation because the risk of birth to a deformed child could cause them psychological damage.

The Vatican has strenuously criticised the ruling, calling the operation murder and comparing abortion advocates to followers of Hitler.

Aegean dispute hearing

THE INTERNATIONAL Court of Justice at The Hague, announced yesterday that it will hold a public hearing on August 23 on the Greek-Turkish dispute over the Aegean seabed.

Greece has asked the Court to order Turkey to stop probing for oil in the Aegean and to define the limits of the continental shelf there.

Meanwhile at the United Nations, Britain, the U.S., France and Italy, the five members of the Security Council, have proposed that Greece and Turkey accept a resolution calling on both of them to exercise the utmost restraint in the dispute and return to the negotiating table, our U.N. correspondent writes.

Meanwhile, the Turkish survey ship Nispeti sailed into the Aegean yesterday to resume exploration under the shadow of a Greek destroyer and gunboat. Greece, which last time the ship conducted explorations in the Aegean, put its armed forces on the alert and declared the vessels' mission a threat to peace, has made no announcement of plans to shadow the Nispeti. But well-informed sources in Athens said the two warships would keep a discreet watch on the Turkish operation.

Norway oil find

Norway's Norwegian subsidiary has discovered oil and gas shows on a well about ten miles due east of the British God field, and just inside the Norwegian sector of the North Sea. The well, the second on block 7-12 of the Norwegian sector, is still being drilled. The hydrocarbon show was encountered in a Jurassic

Italy has surprise payments surplus

BY ANTHONY ROBINSON ROME, August 19.

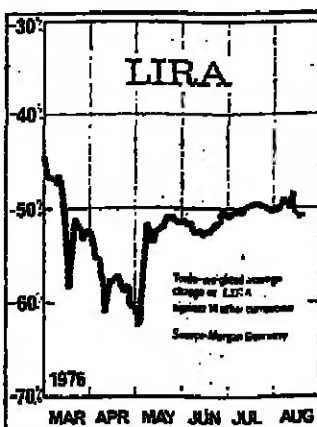
THE ITALIAN balance of payments showed a massive favourable turnaround in July according to latest provisional figures from the Bank of Italy whose size has taken even the Central Bank by surprise.

In June the balance of payments showed a deficit of Lire 225,700, arising from a current account deficit of Lire 177,100, and a capital account deficit of Lire 48,600, offset however by a positive showing of Lire 102,400 in the errors and omissions account.

In July, however, this deficit swung round into a record surplus of Lire 830,000.

The July surplus sharply reduces the overall balance of payments deficit which over the first six months of 1976 amounted to Lire 2,414,000, compared with the deficit of Lire 304,500 over the first half of 1975 when a massive improvement in the balance of payments reflected a steep decline in economic activity generally.

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The first half of 1976, on the other hand, has been characterised by an 8.6 per cent rise in industrial output and a strong recovery in foreign trade.

revision later. However, there is no mistaking a massive turnaround in July which appears to have benefited from a series of more or less transitory favourable factors.

On the trade account, the month was characterised by a very low level of all payment, while exports appear to have been at a high level and tourist receipts were also substantial.

But the principal factor has clearly been the strengthened position of the lira and the substantial capital inflow which followed the June election result, to some extent the effect of the legislation obliging exporters to repatriate 30 per cent of foreign receipts within seven days of payment, and the 50 per cent import surcharge and legislation obliging Italian residents to declare and repatriate their foreign assets. The time limit for the latter was originally August 19 but has since been extended for another three months.

The Bank of Italy has been steadily acquiring foreign currency for the reserves over the two month period since the election and this is reflected in the latest currency reserve statistics which show a 54 per cent increase of L.772.1bn. in July compared with L.501.2bn. in June. The convertible currency reserves in July to L.2,158bn. compared with L.1,315.9bn. in June.

Overall the net official reserves of the Bank of Italy rose to L.4,012.3bn. in July compared with only L.2,512.8bn. in June, an increase of 42 per cent.

This is in spite of the repayment of \$250m. drawn earlier from the swap facility with the New York Federal Reserve.

This improvement in the official reserves has also been accompanied by a slight improvement in the medium and long term foreign indebtedness to L.6,087.7bn. in June although this has been more than offset by an increase in the commercial banks' foreign debt position which rose to L.1,908bn. from L.1,636.8bn. in June.

WEST GERMANY'S WAGES BOOM

What a lot Otto's got

BY NICHOLAS COLCHESTER, BONN CORRESPONDENT

JUST as in America they talk of "Joe Sixpack," so in West Germany Otto Normalverbraucher is the Mr. Average Man.

He is a blue-collar worker and in 1975 he took home \$8,000 after tax. He is the norm. He has a wife and two children and last year he spent \$1,200 on food and \$750 on rent. He had 29 working days holiday, and there is a two-thirds chance that he spent them abroad and \$350 in the process. After all his other expenses he was able to save \$750.

These eye-opening figures are what lie behind Germany's ill-reputed reputation of wealth. They must be qualified at once. The sterling figures are arrived at by converting Deutschmarks at the present lamentable exchange rate of DM4.50 to the pound. This rate certainly does not reflect the relative buying powers of the pound and the Deutschmark on their home ground.

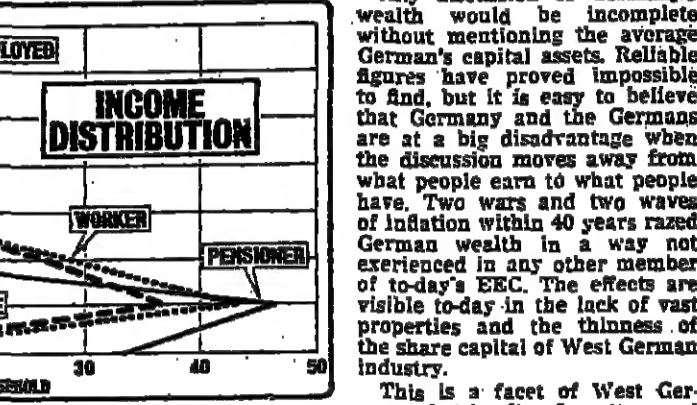
Yet the exchange rate cannot be wholly shunned either. It does reflect what Otto has in his wallet as he strolls along Oxford Street or the Riviera, and what he must pay—give or take a fat German profit margin—for the same Italian fridge that one buys in Britain. In fact it is mainly in the market for food, where world prices are not allowed to penetrate, or in the service sector, where one German working hour can buy no more than another, that the exchange rate is the poorest reflection of German reality.

The classic correction is to express the working hours of different nations in terms of loaves of bread, bottles of beer, colour televisions and other essentials. Herr Otto comes out well but not as spectacularly as the opening paragraph might suggest. In 1975 he had to work 22 weeks to buy a motor-car, while his English counterpart had to work 29 weeks and the Frenchman 35. He got a suit with 30 hours, the Frenchman with 32 hours, the German with 39 hours. He earned a pound of butter in 34 minutes, while the Englishman did it in only 16 minutes and the Frenchman, who really suffers in this type of calculation, had to work 39 minutes.

At the end of July the Deutsche Institut fuer Wirtschaftsforschung in West Berlin produced an extensive report on the distribution of income in Germany. For the English reader the first impression it leaves is of the size of the figures involved. The second impression is of the wealth—even in West German terms—of the professional class. The third is the way in which "the working class" and "the middle class" are no longer distinguishable in financial terms.

The graph accompanying this article gives some idea of the way in which West German income is

distributed. There are four classes of household—3.3m. independent households, 5.9m. executive households, 6.6m. worker households, and 8.1m. pensioner households. Each of these groups have roughly equal cumulative income, with the middle two having rather more than the others.



reached its percentage maximum in 1973, decreased thereafter due to some big wage rises in 1973 and 1974, and has since widened again because of more moderate wage increases in 1975 and 1976. This year, in fact, for the first time in post-war history, the real buying power of the worker household was unchanged and may even have declined marginally.

Any discussion of Germany's wealth would be incomplete without mentioning the average German's capital assets. Reliable figures have proved impossible to find, but it is easy to believe that Germany and the Germans are at a big disadvantage when the discussion moves away from what people earn to what people have. Two wars and two waves of inflation within 40 years razed German wealth in a way not experienced in any other member of to-day's EEC. The effects are visible to-day in the lack of vast properties and the thinness of the share capital of West German industry.

This is a facet of West Germany that is often forgotten, and it explains, or partly explains, a number of West German attitudes. It explains why class-differences have not been re-established as an important feature of German life. Snobbery is waiting in the wings, to be sure, and given a few generations of peace and inheritance it will lead to class. But for the moment most bankers, industrialists, top trade union men and civil servants can meet on comfortable and roughly equal terms.

It explains why Germany can be so sensitive about being branded as the country that will always be happy to pick up the European bill, why Germany is so zealous in its advocacy of an economic system which it has found to work, why Germany fears more than anything else, a collapse of the spirit of free trade that has somehow been held upright since the war.

For all the Bundesbank's reserves West Germany still feels that it has relatively little in the way of wealth to fall back on. The result is a somewhat pessimistic outlook and a lack of cynicism and a penchant for critical self-examination. Here for instance is the Frankfurter Allgemeine Zeitung in an editorial that might have come down from the pulpit in Victorian England: "With us there is already too strong a tendency to demand more than to produce, to distribute without harm to capital investment and employment. Should we pursue this path further we will lose the strength to create wealth, and the same fate that has befallen the English will befall the Germans who appear so rich to the world's eyes. Once upon the slippery slope, the ball rolls quickly downwards."

Emminger call on snake

BY OUR FOREIGN STAFF

COMMENTING on the "snake" disturbances since the end of July, the Vice-President of the Bundesbank, Herr Ottmar Emminger, said that fixed parities within the European monetary unit could only be defended in the long run by nations which follow similar economic and currency policies.

However, this did not mean the existing parities could not be adhered to for some time. Herr Emminger said an internal Bundesbank meeting had decided that one could no longer claim that the system of fixed exchange rates between float members provided a refuge of stability in the world currency system.

"We have anyway in the meantime had to bury the illusion that the snake could serve as a vehicle for later currency and economic union within the EEC," Herr Emminger said it was becoming increasingly difficult to harmonise the obligation to intervene to defend fixed parities with a successful regulation of money supply.

He pointed out that even in the existing "mini-snake" all other members had an inflation rate more than double that of West Germany. The latest German data shows the cost of living index in July was 4.1 per cent above July last year.

Current parities could be defended for some time, but speculation on parity changes within the float would continue, disturbing currency markets and creating uncertainty for trade and payments movements.

Herr Emminger also referred to a sentence from the latest EEC Commission quarterly economic report saying "differences in national inflation rates of between five and 30 per cent make even the maintenance of a relative exchange stability a hopeless undertaking."

Economic worries face Giscard

BY ROBERT MAUTHNER PARIS, August 19.

FRENCH President Valéry Giscard d'Estaing flew home today from a big game hunting holiday in Africa to a cold shower of pessimistic Press comment on the political and economic situation.

The respected Paris evening paper Le Monde spoke of a "crisis of confidence" (a well-worn phrase in French political jargon that regularly crops up when hard domestic news is scarce) and muttered darkly about the laissez-faire attitude of the Government.

The main cause of concern is the economic situation: the beating that the franc has taken on the foreign exchange market during the past few weeks came as a shock to a country not yet fully reconciled to the vagaries of a floating monetary system.

All the blame was initially put on "the speculators" who were anticipating an early revaluation of the Deutsche mark, but the lesson is sinking in that the markets were also reflecting a lack of international confidence in the French economy. That this lack of confidence is at least partially justified has now been accepted—even by commentators.

The continuing high rate of inflation (the price index is only 0.4 per cent in June is widely considered to have been an exception to the general trend), the growing trade deficit and the sharp jump of 8.7 per cent in hourly wage rates over the first six months of this year has led to a chorus of criticism of the Government's failure to take quick remedial action.

It is now clear that the Government intends to adopt a package of economic measures by the middle of next month, when M. Jean-Pierre Fourcade, the Finance Minister, will present next year's budget to the National Assembly. The budget will be balanced, and additional steps to tighten credit are expected to be taken.

The authorities may also renege on the little-used anti-inflation tax, which is applied automatically when industrial prices rise by more than a fixed percentage over a period of three consecutive months.

All this falls far short, however, of the fully-fledged incomes policy which many believe to be necessary if inflation is to be brought down from its present level of about 9 to 10 per cent, to that of West Germany, France's main trading partner.

Much as the Government would doubtless like to introduce such a measure, it has virtually been ruled out by the fierce opposition of the unions and the political uproar that it would cause at a time when the ruling coalition can ill afford any further decline in its popularity.

French newspaper strike called

PARIS, August 19.

FRENCH journalists unions to-day called for a nationwide Press strike next week to protest at the controversial takeover of the mass-circulation evening paper France-Soir.

The National Union of Journalists' Unions (NUJU) named August 26 as their "action day" to protest at the sale of France-Soir to National Assembly member Robert Hersant, who already owns the leading Paris daily Le Figaro. France-Soir journalists have been striking since Monday.

The strike call meant there could be no papers in France next Thursday, the anniversary of a 1944 law which forbids the ownership of more than one French daily paper by the same individual.

The NUJU said that the day would be marked by demonstrations calling for pluralism in the French Press, and job security in the industry.

EBES SOCIETES REUNIES D'ENERGIE DU BASIN DE L'ESCAUT S.A.

Points from the Directors' Report for the year ended 31st December 1975

The Company's total electricity sales to household sumors rose in 1975 by 12.3% over the 1974 total. High sales, however, fell by 11.5% in heavy industry being hit particularly hard by the recession. Overall, therefore, the Company's electricity sales registered a 7.7% decline.

The 30 MW gas turbine at Mol and first 280 MW thermoelectric stations both came on to full power during 1975. F nuclear stations under construction at the Gembloux, Ronse and Co-Trois Ponts stations. Four nuclear groups in the 1,0 series are under development. Capital expenditure is amounted in all to B.Fr. 8,860 million.

In respect of the year 1975 an unchanged dividend net of holding tax ("patronage mobilier"), of B.Fr. 161.- will be each of the Company's 9,210,000 shares.

EXTRACTS FROM THE ACCOUNTS

PROFIT & LOSS ACCOUNT for the year ending 31st December

	1975 (B.Fr. '000)	(B.Fr. '000)
Net operating revenue	1,884,630	1.
(after charging depreciation of fixed assets)	2,476,771	1.
Income from investments after deducting withholding tax	2,005,345	1.
Net profit after taxation	1,972,578	1.
Dividends, including withholding tax	1,853,512	1.

BALANCE SHEET as at 31st December

Fixed assets	37,206,171	31.
Current assets	12,645,462	6.
Intangible assets	44,176	0.
	49,895,808	40.
Share capital	13,762,500	14.
Reserves	3,553,298	4.
	19,317,798	19.
Long-term loans	15,625,349	15.
Current liabilities	6,835,661	6.
	49,895,808	40.

The above-mentioned dividend of B.Fr. 161.- is now, against presentation of Coupon No. 31. Coupons should be at the offices of Banque Belge Limitée, 16 St. Helen's London EC4A 3BT for payment at the current rate of exchange.

Copies of the full Report and Accounts for 1975, in French together with a résumé in English are obtainable from the same address.

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INTERIM STATEMENT

JARDINE JAPAN INVESTMENT TRUSTS LIMITED

Interim Financial Statement (unaudited)

for the six months ended 30th June 1976

Period	Six months to 30/6/76	Six months to 30/6/75
Gross income	2,402,674	£390
Net revenue before Taxation attributable to shareholders (after charging expenses and interest on foreign currency borrowings)	£29,381	£84
Estimated Taxation	£15,276	£44
Attributable to Shareholders	£14,103	£40
Net Asset Value per share at end of period	154.2p	125

The Chairman's Statement in the 1975 Accounts referred to the decline in net revenue experienced as the programme of reinvestment in Japan proceeded. This policy has now been completed and is reflected in the lower net revenue attributable to shareholders for the six months to 30th June 1976.

3 Lombard Street, LONDON, EC3V 9AQ. MATHESON & CO. LIMIT Secretaries August 1976

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HOME NEWS

Consumer spending decline exceeds earlier estimate

PETER RIDDELL, ECONOMICS CORRESPONDENT

CONSUMER SPENDING fell by 1 per cent in real terms in the first and second quarters of this year, according to the estimate published yesterday by the Central Statistical Office.

The decline reflects a fall of 6 per cent in expenditure on motor vehicles from the level of the first quarter, and a fall of 3 to 4 per cent on clothing and footwear and on durable household goods.

There was a fall in spending on wines and spirits between the quarters, but this was offset by rises in spending on food and drink, and there was a change in expenditure on fuel and light.

The 1 per cent overall decline was shown by the first estimate published in July. The revision is due to more up-to-date information on motor vehicles and a slight downgrading of retail sales figures.

The first half of the year saw a decline in consumer spending, now estimated at 1 per cent, at 1978 prices and adjusted for inflation.

This is higher than in the half of 1975 and almost in line with the forecast for the first half of the year.

The detailed expenditure figures show that over the first half of the year, the largest increase compared with any period in the history of the series was in the half of 1975, when it was 1.1 per cent.

This is hardly surprising given the current squeeze on disposable incomes and the evident limits on the extent to which people will draw on their savings.

The official view is that the tax changes and rebates, conditional on the second stage of the pay policy (which have now come into force) should help to sustain consumer spending during the second half of 1978 at around the level of the first half.

But the OECD has been more pessimistic, recently forecasting a decline of about 1.5 per cent, at an annual rate, between the two periods.

Behind the overall economic recovery the main stimulus has come from the growth of exports and stockbuilding, and is expected to do so next year as well.

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CONSUMER EXPENDITURE						
at 1978 prices, seasonally adjusted, £m.						
	Total	Food, drink & tobacco	Housing, fuel & light	Clothing and footwear	Durable household goods	Cars & Motor vehicles
1975						
1	9,041	2,846	1,530	811	467	341
2	8,839	2,772	1,543	762	444	303
3	8,729	2,797	1,537	767	387	313
4	8,904	2,830	1,566	750	396	281
1976						
1	8,912	2,767	1,573	791	434	348
2	8,830	2,743	1,566	765	419	345

On the same basis the weakest area has been food, drink and tobacco which appears to have been affected by the cumulative impact of the recession and duty increases.

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Average price of homes rises 4%

AVERAGE house prices rose by 4 per cent in the second quarter of the year, an increase described by the Environment Department yesterday as significant, after publication of figures prepared by the Department in conjunction with the Building Societies Association.

With £12,860 the average price on which mortgages were approved, this shows a rise of 7 per cent since the same period last year. On sales completed, an indicator several weeks behind that for approvals, the rise was only 1 per cent, over the previous quarter.

Mortgages - The Department said that the second quarter tended to be one of high activity in the housing market, and an upward trend could be defined until another quarter's figures were seen.

On new dwellings, the average price on sales where mortgages had been approved was £12,860, an increase of 31 per cent, in the first quarter. For second-hand dwellings the average was £12,860, an increase of almost 41 per cent.

In mortgages completed during the second quarter the average advance was 65.5 per cent, of the average price, compared with 65.4 per cent, in the previous quarter and 61.7 per cent, in the second quarter of 1975.

Proportionate increases in average recorded incomes and in average dwelling prices were about the same.

Company seeks State aid - MORE THAN 500 workers in the Norwich factory of Lawrence Scott and Electro Motors face redundancy unless the Government agrees to an application for temporary employment subsidy.

The Main Works, Norwich, which manufactures large electric motors, has an annual turnover of more than £12m. Mr. William McCraith, managing director, last night blamed the recession for lack of orders.

He was confident that work would be forthcoming, particularly in export markets, where a strong drive was being made. It was important in the meantime to keep together the trained workforce of nearly 1,200.

On the other hand the net amount invested in unit-linked policies rose from £50.8m. in 1974 to £59.6m. in 1975 and £127.4m. for the second quarter of 1978 alone.

Similarly the aggregate market value of unit-linked policies, which was only £240m. at the end of 1974, now totals £360m.

Such policies now total £34m. and, allowing for duplication of holdings, it is estimated that the figure of £1m. for direct unit-holders might be simplified to 2m. if indirect investors are taken into account.

In this sense the unit trust business was becoming more of a "cash flow" business like pension funds and insurance companies rather than a "feast or famine" business with violent fluctuations in the numbers of one-off investments.

Certainly the figures reveal the growing importance of unit-linked business. For direct investment, the total new sales this year are still slightly higher than the same period of 1975 at £321m. (£201.6m.) and are much higher than the equivalent period of 1974 (£127.4m.). But net new investment this year is marginally down at £118.6m. (£124.6m. in 1975).

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Engineering industry new orders lag behind sales

BY ROY HODSON

REPORTS FROM industry about the slow increase in new orders are borne out by the latest Government figures. They show that engineering industry order books are shortening as the level of sales for British companies remains above the inflow of new orders.

Both home and export order books have continued to shorten, according to figures to May this year published in the new issue of Trade and Industry.

The most heartening news from the statistics is that there has been a continuing upward trend in both sales and new orders in the engineering sector following the trough reached at the end of 1975.

Sales to the home market were 4 per cent higher in May than in February. Export new orders have been increasing since the end of 1975 rising also by 4 per cent, between February and May.

But the imbalance between sales and the flow of new orders has been sufficient in recent months to shorten export order books by some 5 per cent, between February and May.

Annual survey - In the home market, net new orders for engineering products, which showed signs of an upturn at the beginning of 1976, increased by some 5 per cent, up to May. As the level of sales continued to be greater than new orders, however, the volume of home orders on hand remained low and declined by some 3 per cent, in the three months up to May.

The British engineering industry is now mid-way through its annual ritual of assessing business prospects for the next 12 months. Its findings should be the clearest pointer so far to likely developments in the industrial economy. But at this stage the industry is even less certain than usual about the probable outcome of its inquiries.

Although there have recently been warnings against the pressures of reviving demand, the industrial sector has not yet seen evidence to justify them. In the vital machine tools sector the lack of orders is the biggest inhibiting factor.

The industry has rationalised itself for better times, and has Government backing to finance stock-building in preparation for the up-turn. But the orders are just not coming through in the way the industry needs for a spirited recovery.

Mr. J. W. Buckley, the chairman of the National Enterprise Board-controlled company Alfred Herbert, who explained this week how the company is being brought back towards profitability by new management and the injection of public money, said that its prospects now depended almost wholly on new orders.

In Alfred Herbert's case much depends upon how quickly British Leyland goes ahead with capital investment. Many other machine tools companies are waiting for someone else to take long-awaited investment decisions.

That is not a purely British quirk, since hesitation to place new orders for plant and equipment seems to be a worldwide phenomenon. Britain's steel stocks are a reliable barometer of the economy for manufacturing industry turns to them first when planning expansion.

Steel stockholders have been disappointed by the painfully slow rise in demand in recent months and are not prepared to forecast any improvement this year.

Bright spots - Although the steel supply business has improved, it is at least partly due to companies having run-down their stocks to abysmal levels during the 1975 recession. Their stocks are in many cases so low now that they are having to buy in materials for all their production.

There are one or two bright spots, however. The makers of consumer "white goods" - refrigerators, washing machines, and freezers - are doing good export business. So are motor component makers.

But the real hopes will be realised when the capital investment engineers - heavy general engineering equipment and the like - find new business, and when the structural steel industry begins to order quantities of new steel for new factories to provide for a fundamental industrial expansion. Such signs are not yet visible.

The whole non-food sector had a poor April this year compared with a year ago and as a result the value of sales through all non-food shops was only 9 per cent, up in the second quarter on the same period last year compared with the 12 per cent rise in the value of all retail sales.

Electric plugs warning - HOTPOINT AND Morphy Richards said yesterday that "in the interest of consumer safety, all permanently moulded-on 13 amp. plugs for appliances bought since October, 1975, should be changed without delay."

The plugs fitted to Hotpoint and Morphy Richards appliances and in the Electra twin-tub washing machine, Model 1465 were "potentially dangerous."

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LABOUR NEWS

Two big building unions are at loggerheads

BY CHRISTIAN TYLER, LABOUR STAFF

RELATIONS between two big building unions, the Transport and General Workers' Union and the Union of Construction, Allied Trades and Technicians, have reached their worst point for years.

The TGWU is threatening to leave the national joint committee for the building industry after a ruling against it by the industry's disputes panel.

It claims that UCATT, the biggest union in the industry, is using its dominant position both on national committees and at local level to work against the TGWU.

Officials also say that UCATT is in collusion with the National Federation of Building Trades Employers to undermine TGWU influence.

If the TGWU's national building committee decides at its next meeting to leave the joint council—which sets minimum wages and conditions for about 300,000 workers—the national machinery could be in danger of collapsing as the TGWU sets out to make agreements with individual firms.

UCATT has also complained about the TGWU. Recently Mr. George Smith, general secretary, alleged that it was using its political influence to secure a State job for one of its retiring national officers.

Smouldering rivalry, mainly about recruitment, came into the open after a conciliation panel ruling on a TGWU strike at Tarmac Construction's site in South London, where the Lambeth and Brixton recreation centre is being built.

The TGWU, which declared the 14-week-old strike official after one of its stewards was sacked, was reprimanded by the panel for not going through the full disputes procedure and told to get the men back to work.

Mr. George Henderson, incoming TGWU national secretary for building, said that local officials wanted to extend the strike to all Tarmac sites in the country. He had asked them to hold back while discussions continued with the company.

After the ruling, he wrote to Mr. Smith of UCATT and to the employers' secretary of the national council, Mr. Oliver Jayne, to say that the TGWU's whole relationship with the national machinery was to be examined by the union's building committee early in October.

Tunnel confrontation possible

BY OUR LABOUR STAFF

THE ELUSIVE unofficial leader of 2,000 tunnellers, most of them members of the Transport and General Workers' Union, may turn up at a London branch meeting to-day to be confronted by one of the union's national officers.

Mr. Vincent O'Donnell, a shop steward from the North-West, has been driving round the country in a red Mercedes urging tunnellers to stop work in pursuit of higher piecework earnings. The TGWU has made no official claim for more money.

To-day, Mr. Brian Cox, TGWU assistant secretary for the construction industry, will address a Southwark meeting of London region tunnellers.

Immediate earlier retirement sought by blastfurnacemen

BY IAN HARGREAVES, LABOUR STAFF

BRITAIN'S blastfurnacemen are to follow the example of the miners in seeking an immediate reduction in the retirement age.

Unlike the miners, however, the blastfurnacemen are prepared to advance towards the target of pensions at 60 in one-yearly stages.

The National Union of Blastfurnacemen, which has 16,000 members, has submitted a claim to this effect to the British Steel Corporation.

There will be a meeting between the two sides to discuss the matter in about a fortnight.

Mr. Hector Smith, the union's general secretary, said last night that evidence was growing that men working on coke ovens were prone to forms of cancer and skin disease.

Many men also had their health broken by simple exhaustion after years of working in very high temperatures.

"I believe that we are in a totally different position from other groups. We can't get people to do the job now—perhaps early retirement will help."

Mr. Smith said that he did

not believe that the retirement demand, which had not been submitted in line with any pay claim, caused difficulties under guidelines.

Ratified

He expected a response from the British Corporation and was confident that a moderate approach of a gradual reduction in pensionable age was welcome.

Early retirement discussed yesterday by the executive council of the union and Steel Trades Confederation was ratified when it was agreed that an early retirement vote in favour of a pensionable age of 60 was welcome.

The executive council was asked to consider whether it should seek early retirement for all its 106,000 members, whether there should be a priority for those in dangerous jobs.

The step by step by the blastfurnacemen also discussed.

News agencies in chairman of ACA

BY ALAN PIKE, LABOUR STAFF

MANAGEMENTS of the three Fleet Street news agencies involved in the National Graphical Association blacking dispute met Mr. Jim Mortimer, chairman of the Advisory, Conciliation and Arbitration Service, yesterday afternoon.

The agencies approached ACAS after both the Government and TUC had shown themselves earlier in the day unwilling to be drawn into the issue.

No new initiative emerged from the meeting and there is no obvious room for intervention by conciliation officers at this stage.

Officials of the Newspaper Society, which represents provincial newspaper managements, visited the Department of Employment, but were told that the dispute was "not a matter in which the Department has any role to play."

Mr. Len Murray said in a letter to the news agencies that his present conclusion was that the TUC could not intervene.

NGA chapels (office sections) in newspaper offices throughout the country are blacking copy from the Press Association, Reuters and Exchange Telegraph in a dispute over 130 employees at the agencies expelled from the union for withholding contributions from its London retirement fund.

Agency copy is an important

source of national news for many provincial papers and the Society said yesterday that 30 of its daily members were serious by the action.

It was "disappointing" that the Government was not prepared to involve the problem and be "Ministerial intervention as serious as this welcomed by all."

Mr. Ian Yates, chief of the Press Association, said that the agencies were concerned about the dispute was causing papers and newspaper agency or newspaper management was a principal industrial issue.

Safety san cost coal

SUPERVISION and pits throughout the coalfield are likely to be blacked by the National Coal Board, 30,000 tons of coal, worth £500,000, this week.

The sanctions were by the deputies in the underground, in report into last year's Houghton Main colliery disaster.

Stagehands end strike at National Theatre

BY CHRISTIAN TYLER, LABOUR STAFF

PERFORMANCES at the National Theatre and Young Vic resumed tonight after the ending yesterday of an unofficial strike by 60 stagehands.

The National Theatre estimated that its revenue loss at the two theatres since the strike began on Monday was £10,000—"a lot of money in this business."

The stagehands were in dispute over payments for rehearsals in the still unopened Olivier auditorium during performances in the Lyttelton auditorium. Ten of them were suspended on full pay for refusing a call to work.

No extra payments are provided in the agreement reached early yesterday after eight hours.

of talks between the management and the National Union of Theatrical Employees.

The agreement, late by the stagehands, related to suspended workers at separate crews in each auditorium for a "conciliation period."

If there is then no agreement on pay and on old working arrangements resumed and rehearsals take place at the Olivier shows at the Lyttelton Theatre had been playing since its opening in March.

Dockers reach agreement

BY OUR LABOUR STAFF

AGREEMENT has been reached in principle on a cash incentive scheme to encourage Thames dock workers to transfer from up-river jobs to Tilbury.

It still has to be formally ratified by both employers and unions, but it is believed that the

Port of London company offered of £1,000 accepted by the unions yesterday.

About 300 men are to take advantage of the which is designed to encourage labour supply position Thames.

New strike hits Plessey

BY OUR LABOUR STAFF

PLESSEY telecommunications, whose Sunderland factory has been closed by an inter-union dispute, has now been hit by a strike of technicians at its site at Beeston, Nottinghamshire.

About 30 telecommunications testers, all members of the Association of Scientific Technical and Managerial Staffs, were suspended at Beeston after they stopped work in protest at the arrival of six Sunderland trainees to study the production of transmission plant, which is to be transferred to Sunderland.

The Sunderland dispute was the subject of talks at the Engineering Employers' Federation, but no solution appears to have been reached.

The Amalgamated Union of Engineering Workers and the General and Municipal Workers is almost twice the Union are in disagreement over average.

to which union a recently changed should belong.

Merseyside creates 129 more jobs

A FURTHER 129 jobs schemes costing £2.9m. approved on Merseyside last month, which is last month, provided temporary jobs mainly under-24s, but some for 50s.

Since the scheme was launched in October, nearly 5,000 jobs have been created on Merseyside, where the employment rate of 11.5 is almost twice the average.

The future looks healthier.

"We're planning to invest now, on a scale we haven't previously contemplated" SIR JAMES BARKER



PROFIT BEFORE TAX £m	*DIVIDEND PER SHARE	*EARNINGS PER SHARE	SALES £m	STATEMENT OF VALUE ADDED
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15.23	2.31p	4.88p	474	To Government
17.77	2.55p	5.12p	587	To Shareholders
21.58	2.77p	6.01p	763	For Maintenance of Business
				1975 £145m
				1976 £172m
1972	1972	1972	1972	1975
1973	1973	1973	1973	1976
1974	1974	1974	1974	1975
1975	1975	1975	1975	1976
1976	1976	1976	1976	1977

*all under imputation system

■ The difference between the cost of the materials and services we buy, and the value of the goods that we sell.

Unigate

Financial Times Friday August 20 1976

2194 mph and 85,126 feet.



The SR-71 breaks world speed and altitude records.

The Lockheed-built SR-71 flashed through the skies July 27-28, to set four unofficial world speed and two world altitude records. Three Air Force crews joined in the historic flights of this titanium plane, recapturing several records held by Russian MIG-25 Foxbats. The crews are from SAC's 9th Strategic Reconnaissance Wing.

The records:

1&2. World Absolute Closed Circuit Speed Record and World Class Speed Record over a 1000 kilometer (621.4 miles) course. (The SR-71 is a Class C-1 Group III jet-engined aircraft, same as the Russian MIG-25 Foxbat.)

Flown by: Maj. Adolphus H. Bledsoe, Jr., pilot, and Maj. John T. Fuller, reconnaissance systems officer.

3&4. World Absolute and World Class Speed Record over a 15/25 kilometer straight course:

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5&6. World Absolute and World Class Altitude Record for Horizontal Flight:

Flown by: Capt. Robert C. Helt, pilot, and Maj. Larry A. Elliott, RSO.

2116 mph, surpassing the previous Absolute Speed Record of 1853 mph and the World Class Speed Record of 1815 mph set by a Russian MIG-25 Foxbat in October, 1967.

2194 mph, surpassing the previous record of 2070 mph set by a Lockheed-built YF-12A Interceptor, prototype sister ship of the SR-71, in June, 1965.

85,126 feet, surpassing the previous record of 80,257 feet set by a Lockheed-built YF-12A, prototype sister ship of SR-71, in June, 1965.

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*The unofficial speed and altitude records listed above are based on data recorded by radar and calibrated cameras by National Aeronautics Association observers. It will be forwarded to the Federation Aéronautique Internationale, the official world flight record authority, for review and certification by that agency.

HOME NEWS

Plan for more company information criticised

MARGARET REID

CRITICISM of the Department of Trade's proposals for the scope of company annual reports has come from the British Insurance Association, which does not see the purpose of such reports. The association, which represents some 280 insurance companies, suggests that this information should be provided in a separate report.

The Stock Exchange and the Association of Unit Traders are among bodies which have already challenged the Government's suggestion that there should be a legal requirement for companies to provide information of interest to a wide range of parties other than shareholders.

On inflation accounting, the Insurance Association believes there could be some conflict between accounts prepared on the proposed new Current Cost "only weakened," it says. Accounting principles and existing accounting requirements of the Companies Acts unless the relevant Sandilands Committee proposals are modified.

Without clarifying legislation, it is feared that some uncertainty would exist under current cost accounting about the meaning to be put on words like "profits," "assets" and "reserves" in existing contracts, trust deeds and articles of association.

The association, in its comments on the Department of Trade's paper, *Aims and Scope of Company Accounts*, attaches importance to the correct distinction between what company directors should do, respectively, prescribed by law and laid down in accounting standards. It gives warning against too much rigidity.

Plastics makers confident again

By Rhys David

PLASTICS manufacturers are planning to step up their investment over the next six months as a result of renewed confidence over prospects, says a business trends survey published today.

Three-quarters of the companies covered by the survey by the British Plastics Federation indicated that they intended to approve capital expenditure during the next six months, and two-thirds were planning to expand capacity rather than replace existing equipment.

More than 70 per cent of those planning to invest will expand capacity during January to June next year.

The survey, which covers the three main sectors within the industry—materials, processing and machinery—shows that 64 per cent of companies expect home sales to increase in the second half of this year and there is some stockpiling in expectation of an upturn.

More than half the companies expect to increase exports and about 40 per cent, expecting sales to remain the same.

The federation points out that not all companies in the industry are making products which can be exported, but it also says that if overseas sales cannot be achieved and maintained now they never will be.



Glen Genn

Whitehall row over Toyota terminal

BY JOHN HUNT

REFUSAL by the Department of Industry to allow Toyota, the Japanese car company, to build its main U.K. importing centre at the new £37m. West Dock in Bristol has caused embarrassment in Whitehall.

Mr. Edward du Cann, Conservative MP for Taunton and chairman of the Commons Public Accounts Committee, last night condemned the decision as a "disgrace and misuse of public money."

The refusal is likely to lead to re-examination within the Government, Mr. Anthony Wedgwood Benn, the Energy Secretary, and Mr. Michael Cocks, the Government Chief Whip, are certain to come under fierce pressure from their Bristol constituents to reverse the decision.

In an effort to cool tempers, Mr. Alan Williams, Minister of State for Industry, will meet the Bristol Port Authority on Monday to explain the reasons behind the refusal.

Mr. du Cann said that it was yet another example of a socialist government discriminating against the interests of the South-West. "My colleagues and I will back Bristol very strongly in this matter."

Strong lobby

A strong Merseyside lobby is building up to persuade Toyota to build its U.K. import base on Merseyside. Mr. F. C. D. Wright, Toyota's general manager, is to visit possible dockland sites on the Liverpool bank of the river on September 8.

Mr. Eddie Loyden, Labour MP for Liverpool Garston and Secretary of the Merseyside Labour MPs has called for an immediate meeting with the Industry Secretary Mr. Eric Varley.

Mr. Owen Doyle, chairman of Liverpool Planning Committee, said that there was suitable land available for development within six miles of the Royal Seaford container terminal, including a 40-acre site beside the M57 motorway. All possible assistance would be given to the company.

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THE BIG GAS BAG OVER LONDON

The hot air balloon Gerard A. Heineken seen yesterday rising majestically above the trees in London's Battersea Park. Claimed to be the largest such "gas bag" in the world, it will soon attempt a North Sea crossing from Amsterdam to East Anglia. The balloon is as tall as Nelson's Column. Its double-deck basket can hold up to 30 people, but for the North Sea crossing it will carry a crew of just three.

Pension funds again invest 35% more

BY JAMES McDONALD

NET INVESTMENT by private pension funds last year is estimated by the Department of Industry to have been nearly £1bn—an increase of 35 per cent, a similar rise to those recorded during 1973 and 1974.

In its Trade and Industry Journal, the Department says the most significant feature of net investment by private pension funds last year was the movement into long-term government securities and Ordinary shares "and out of cash and short-term assets, a reversal of the position in 1974."

British Government and government-guaranteed securities accounted for £452m.—or 46 per cent of total net investment in 1975—compared with £82m. (11 per cent) in 1974.

The Journal adds that a small disinvestment in "medium-term government securities" was more than offset by heavy buying of long-dated securities and some short-term stock at the beginning of the year, as pension funds moved to take up new issues.

Net investment by insurance companies rose considerably, investment of general funds, in particular, showing a marked increase in 1974, says the Journal.

The investment pattern was dominated by a strong movement away from cash and other short-term assets into Government and company securities.

Insurance companies' total net investment, including changes in agents' balances, etc., was over £2.5bn. in 1975, representing an increase of 32 per cent.

NEW ISSUE

All of these securities having been sold, this announcement appears as a matter of record only.

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NORTH SEA OIL REVIEW: WAGES and CONDITIONS

BY CHRISTIAN TYLER

Drilling for members

FOR THE first time in five rounds of North Sea licensing, the Government has written in a condition on behalf of the trade unions. Applicants for the new blocks will have to demonstrate that they are willing to grant "reasonable access" to representatives of independent unions who want to visit rigs and platforms.

A number of companies have already shown union officials out to rigs; there is even a formal recognition agreement on one rig and informal arrangements on several others. But there are changes in the earlier view that it is no part of the Government's job to stimulate union membership in this infant and politically sensitive area.

Admittedly the new requirement is but a fraction of what the Aberdeen-based offshore union committee has been asking. This committee contains about a dozen unions, the main ones being the Transport Workers, the Seamen, the Boilermakers, Electricians and Plumbers and the Engineering Workers. But after a series of meetings with Mr. Anthony Wedgwood Benn, the Minister for Energy, and the U.K. Offshore Operators Association, the unions appear to have accepted that they will have to pursue most of their aspirations in direct negotiations with individual operators.

The union committee—with TUC backing—would still like to set up some kind of national forum, despite the feeling of the operators' association that it cannot act as a collective negotiating body for the industry. But the committee recognises that such a forum could not hope to set common wages and conditions for the 8,000-odd men working in the North Sea at present.

Rig charter

The committee's chief spokesman, Mr. Bill Reid of the Transport and General Workers' Union, says Mr. Benn's inclusion of union access in the licensing conditions is a considerable step forward, even though many companies have anticipated it on their existing fields. "I have talked to several U.S. companies," he says, "and they do accept that this is the name of the game."

They know that in any part of the world they must abide by local conditions.

Union membership on rigs is not high—perhaps 35 per cent, according to Mr. Reid. But this would include many construction workers still on board, alongside production men.

The inter-union committee has set out its aspirations in a ten-point charter. This demands that all companies recognise the right of the committee to recruit, represent and negotiate. It wants right of access for union officials and a common code for the industry under the Health and Safety at Work Act of 1974.

Closed shop

It proposes a national Board composed of workers and management to regulate wages and conditions, requiring all personnel to become members of the appropriate trade union—in other words an offshore closed shop. It wants a conciliation procedure, employers to deduct union subscriptions (check-off), and future licences to embody a right for workers to be represented by the committee.

The Government has probably gone as far as it is prepared to go for the present in meeting this formidable list of demands. At the same time there have been important developments on the legislative front which favour the TUC campaign for an organised presence in the North Sea.

Measures including the Trade Union and Labour Relations Act, the Employment Protection Act and Health and Safety at Work Act are all being applied specifically not only to U.K. territorial waters (the three-mile limit) but to the British sector of the Continental Shelf.

An Order passed on June 21 under the Employment Protection Act means that all workers, British or foreign, mainly employed in British oilfields will be able to pursue union recognition claims, go to industrial tribunals if they feel they have been unfairly dismissed, and seek redundancy payments.

This does not give the unions any legal right to access or any right to recruit. But it does impose a framework of legislation more conducive to

formal relationships between employers and workers.

How things will work in practice remains to be seen. Workers and employers alike may choose to ignore all but the statutory obligations, arguing that their industry—even more than the mainland construction industry—is too fragmented, the labour force too irregular and the demands of the work too varied to make detailed agreements practicable.

In this sense the unions may have more difficulty persuading the roughnecks and roustabouts that they need TUC protection and access to bodies like the Advisory, Conciliation and Arbitration Service than in persuading operators to invite union activity.

However, the TUC is anxious to start testing the law. It believes there has been victimisation in the past and has been unable to get rulings from British industrial tribunals until now. It remains to be seen, too, to what extent workers who are moving back and forth between the Norwegian and British sectors or flying in from offshore oilfields around the world will want, or be eligible for, the protection of British labour law.

Since the unions and operators have begun talking to each other at the Department of Energy, much of the earlier acrimony appears to have gone out of the recruitment campaign. Last summer, for instance, one American rig operator was subjected to a three-week boycott aimed at breaking down resistance to union membership.

A few months later came the first real breakthrough: a recognition and closed shop agreement with Houlder Brothers, the Furness Withy subsidiary, for Conoco's Dundee Kingsnorth rig. The deal gave about 100 men rates of pay ranging from £3,500 a year up to around £8,000 for the most skilled craftsmen. It even included private medical insurance.

Demarcation

At that time the Aberdeen committee was somewhat disunited, with the Transport and General Workers' Union upset by the success of the National Union of Seamen in negotiating

an agreement from which it was excluded. Mr. Reid says the unions have now agreed to have no demarcation lines and the issue is no longer contentious.

Following that upset, the TGWU met the shipping unions to discuss "spheres of influence" and avoid more poaching allegations.

It is important for the unions to present a united front, especially when they are calling on the operators to do likewise and to deal with them in some permanent joint body. So long as there was friction between the unions, employers could rightly claim that to allow recruitment by one union would only lead to counter-claims by another—probably resulting in disruption they could ill afford.

From the other side of the fence, UKOOA has consistently pointed out to the unions and the Department of Energy that union agreements can only sensibly be struck with rig operators, who are subcontractors and not members of UKOOA itself. The extent to which oil companies involve themselves with day-to-day rig management varies, although one large oil company appears to be taking the view that more supervision of industrial relations would be desirable.

Bandwagon

Mr. Benn himself has clearly wished to nudge the recognition bandwagon along—union involvement is very much part of his personal creed—and has gone further in that respect than his predecessors. At the same time he appears to have satisfied the TUC that he can only go so far before the oil companies take fright. With the politics of State participation to cope with, he is not going to risk trouble over workers' rights.

Nor do the unions seem to be in the mood for confrontation at the moment, whereas only a year ago there was talk of industrial action on a wide front if rig operators did not let the unions in.

But without doubt, the unions will be using the new legislation where they can, and will be pursuing issues such as safety when the Order extending the Health and Safety at Work Act to offshore sites is put through Parliament.

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LEGAL NOTICES

No. 00736 of 1976
In the HIGH COURT OF JUSTICE
Chancery Division, Companies Court. In the Matter of BLACK LINE (CONTRACTORS) LIMITED and in the Matter of The Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 17th day of August 1976, presented to the said Court by J. P. McDUGALL & COMPANY LIMITED, Manchester Road, West Thorpe, Altrincham, Cheshire, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London, W.C.2A 9LL on the 18th day of October 1976, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, for that purpose; and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring such copy on payment of the regulated charge for the same.

J. J. W. WINTERBOTHAM,
Imperial Chemical Industries Limited,
Imperial Chemical House,
Millbank,
London, SW1P 1JF,
Solicitor for the Petitioner.

NOTE—Any person who intends to appear on the hearing of the said Petition must serve an, or send by post, to the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or if a firm the name and address of the person, or firm, or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 18th day of October 1976.

New Issue
August 19, 1976

All these notes having been sold
this announcement appears as a matter of record

Banque de l'Union Européenne

US \$ 30,000,000

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August 18, 1976

The Management Page

EDITED BY JOHN ENGLISH

WATER

Some companies have already taken action against the worsening drought but further initiatives are needed. Sue Cameron reports from South Wales and Michael Dixon from Devon on savings—such as halving an 8m. gallon daily intake at a Welsh paper mill.

Living on paper

Mr. Gordon Reid was not a man who would be surprised by the fact that water charges for his Cardiff paper mill had increased by a hundred per cent in a year. The mill, which produces 100,000 tons of paper a year, had been paying £650 to £65,000 a year for water. That was not all. Once the drought set in this summer, other measures were taken at the mill and the Wiggins Teape factory in nearby Treforest. About 400,000 gallons of water are needed to produce one tonne of paper and this means that water is constantly coursing through the machines. But Mr. Reid discovered that even when the machines were switched off, the water continued to go through the system. Electro-magnetic valves which automatically cut off the water supply when machines are not in use have therefore been ordered and will be installed during the next fortnight. A campaign to educate mill and factory workers in the importance of saving water is already in full swing and each shift is told exactly how much water it has used. Individuals have been made responsible for ensuring that machines and taps are turned off when they should be and it is hoped this will encourage people to make their own suggestions for saving water at work as well as being water conscious at home. The amount of water that can be wasted through carelessness is staggering. A tap left running in a washroom over a week-end can send tens of thousands of gallons down the drain. Further savings have been made by slowing down the mechanism which automatically flushes the lavatories and by dint of savings like these Mr. Reid hopes to make further water cuts of 100,000 gallons a day at both the factory and the mill. In addition, disused boreholes are being investigated to see if they can provide extra water. The company is using the two existing wells at the Ely mill which produce 17,000 gallons of water an hour between them, to their fullest extent. At present Wiggins Teape has

enough water to sustain normal production rates at both the Ely mill and the Treforest factory. But South Wales needs 13 inches of rain between now and the end of September to bring water levels to what they were at the beginning of August. The area's highest recorded rainfall for September is 8.8 inches and the average is only 3.5 inches so the chances of getting the required amount in the next six or seven weeks are virtually nil. And if there is no more rain, industry's water consumption will have to be cut by law just as the supply to domestic users has already been reduced. The Welsh CBI says industry in South Wales could be crippled if its water supplies were cut by the 50 per cent that is being threatened. Workers would have to be laid off and some companies could be forced to shut down completely.

Restrictions

The CBI's answer to the problem is that householders should be forced to accept even more stringent restrictions than at present. Already families are having to go without water from 7 p.m. till 8 a.m. but the CBI would like to see domestic supplies cut by up to 60 per cent. It claims that if this were done industry might just be able to "get by" on a water reduction of 20 per cent—starting next month. Even then, according to the CBI, there would have to be exemptions for food processing and export companies that were already in financial difficulties.

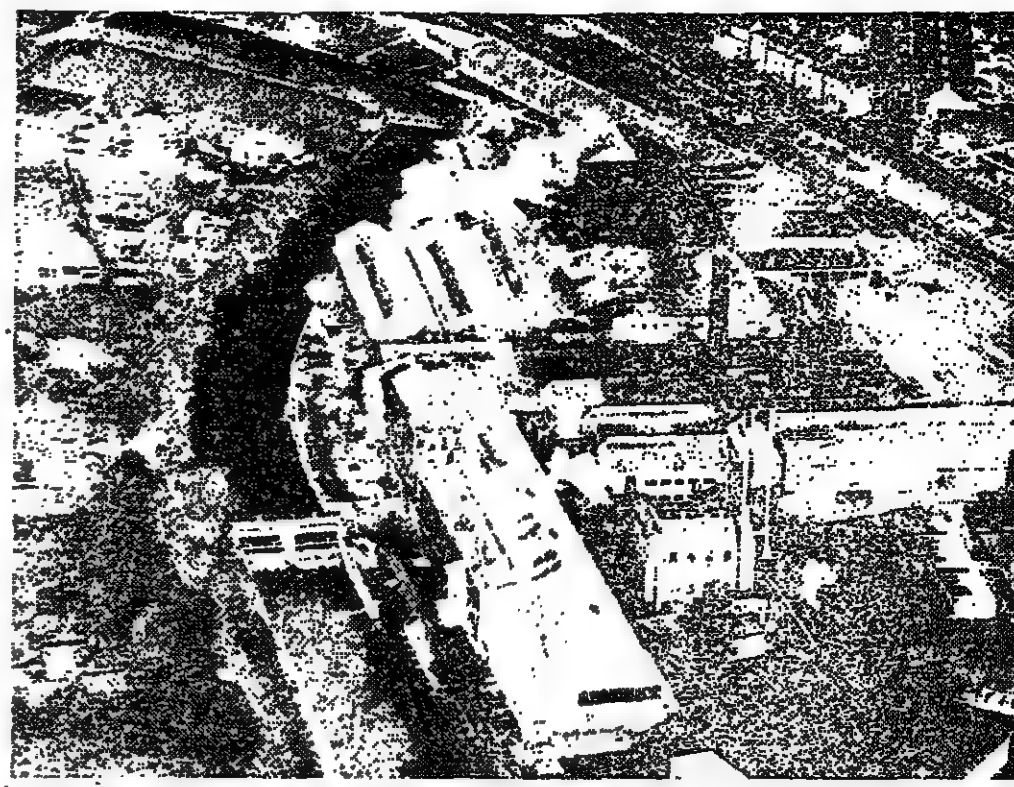
Wiggins Teape reckons it will not be forced to send any workers home even if further restrictions are introduced. Mr. Reid points out that while the water authority can go round turning off domestic supplies at the mains every evening, it can hardly shut down the River Ely. What it could do, however, is to divert the 4m. gallons that pour down from the Llan Harry mines every day away from the river—and therefore away from Wiggins Teape—and into domestic use.

If this happens the paper mill, which now produces vegetable parchment (greaseproof paper) and base paper for carbonless copy paper, will manufacture vegetable parchment only. At present the base paper is sent to the Treforest factory for coating. What Wiggins Teape is

planning to do is import base paper from its Scottish mills in order to keep the Cardiff factory in business. Stopping base paper production at the Ely mill would mean that about 60 or 70 men out of a total workforce of 750 would be left idle. But Mr. Reid says they could be employed painting and maintaining machinery for as long as the crisis lasted. He insists that the manufacture of vegetable parchment must be kept up no matter how grave the water shortage. This is because of a fear that once production was stopped, the market for vegetable parchment—used in packaging items like butter and margarine—could disappear altogether. Food processing companies might start putting more of their butter in plastic containers and once this happened they would be unlikely to return to traditional greaseproof wrappers.

If the plans for re-arranging the paper production are put into effect, costs will be seriously affected—but not the prices of finished products. Base paper costs £150 a tonne to buy in and as the factory at Treforest uses 400 tonnes a week Wiggins Teape will have its weekly bill increased by

£60,000 once it stops making its own base paper. But the increase cannot be passed on to customers for the simple reason that competitors in drought-free areas would be able to undercut the Ely and Treforest operation. Despite all this, Mr. Reid believes the water crisis in South Wales will teach industry—and householders—a much needed lesson. "In the past we have been prodigal with water. After all, it is free—or almost—and even when there is a water shortage we tend to think that it is bound to rain next week so everything will be all right. But perhaps this drought is not a one-off occurrence. Perhaps the climate is changing and there will be no rain next summer or the summer after that. Maybe we should be thinking in terms of a national water grid. "Certainly industry must look much harder at the way it uses and often wastes water. It is easy to be wise after the event and of course Wiggins Teape has been lucky because various factors forced us to take action early on. But if you ask why Wiggins Teape did not install a back pressure turbine years ago to cut water consumption the only answer is that no one ever thought about it."



The Wiggins Teape paper mill on the River Ely at Cardiff. Below the sluice gates on the left of the picture, the Ely becomes the Bristol Channel—tidal and salt. It is because the mill takes in water from the river but pumps it back, untreated, that the company does not receive the usually 99 per cent. reduction in water abstraction charges. Technically the water used is "lost" to the water authority which has no control over tidal waters.

Diviner in ITT rock

ONE OF THE general managers of ITT Components at Paignton, Dr. George Roberts, is a hard-headed scientist. Mr. Roy Sims, his plant services manager at the 2,000-employee factory, is a hard-nosed engineer. But for eight months up to last February they were being treated by their managerial colleagues as though—to use Dr. Roberts' phrase—they believed in fairies. This was because they were drilling through granite at great expense on the unscientific advice of a water diviner.

Both men are keen on factory self-sufficiency. A solar generator is being tested on site and the plant's present use of mains electricity is controlled by computer. From 1.5m. gallons a

week 15 years ago, the factory's use of water for processing and for employees' washbasins and lavatories has been more than halved. But early in 1975 when, after an arid winter, Devon was forewarned of a likely prolonged water shortage, the two men decided that even sophisticated re-circulation techniques were not enough.

"We had two responsibilities to the local community," says George Roberts. The first was to ensure the plant's operation through a summer drought and so maintain employment. The second was not to exert an unfair demand on mains supplies. In a tourist area where the normal water consumption of 10m. gallons a week doubles for the weeks of the holiday season.

So hearing of Mr. Stan Shepherd, a water diviner from Exeter, they called him to the 47-acre site on the hill 200 feet above the dark sands of Torbay. "It was a risk," says Mr. Sims, "particularly since water divining doesn't seem to have what you might call engi-

neering validity. But Mr. Shepherd runs a highly successful well-drilling business and he couldn't do that unless he could tell where water was in the first place, could he?"

Dowsed

Mr. Shepherd took up his two pieces of metallic strip, holding them in a loop in front of his stomach, dowsed around the site. He pronounced the car park a promising area and after much methodical pacing moved into its farthest corner. There the loop on the strip suddenly sprang upwards and hit him in the belly. "That's your best place," he declared and, following more consideration, drew a chalk cross on the asphalt. Roberts and Sims then had a go with the strip, with no effect whatsoever.

But they engaged Mr. Shepherd's company to drill for the water which he estimated lay about 330 feet down flowing at an hour. Drilling began in June

last year and when some traces of water were found only 40 feet down Mr. Sims, for one, began to feel more confident than worried about committing at least £10,000 to the project.

Sadly, at 88 feet the percussion drilling bit started simply to bounce. It had hit an unsuspected layer of granite. The two ITT men began to feel worried again and to suspect that their colleagues were perhaps sniggering slightly behind their sympathy. An expensive German rotary drilling rig was brought to tackle the granite and it did so, but slowly.

The work ground on through the winter. "We were having to take more and more stick," says Roy Sims with a grim smile. But at 280 feet the bit emerged from the granite into moist earth. A further 50 feet on and the plant's services manager adds, "I had the very satisfying experience of walking into the Boardroom, plonking a glass down on the table and saying: 'There you are gentlemen, have a drink of that!'" The satisfaction was possibly marred a little when Dr. Roberts, a scientist above all

else, replied: "Come off it. All of water were found only 40 feet down Mr. Sims, for one, began to feel more confident than worried about committing at least £10,000 to the project."

But it kept on flowing and not only was it found at the depth predicted by the diviner, but when the well was deepened to 385 feet to overcome slitting problems, the rate of flow settled down at around 5,500 gallons hourly—snack in the middle of the range estimated by Mr. Shepherd.

So now ITT components has its own source more than 100 feet below sea level. The company has to pay to use it, but at a rate far less than the 58p per 1,000 gallons charged for normal supplies. The well water is too hard for drinking happily and for some of the plant's sensitive processes, but it is already helping in Dr. Roberts' campaign for an immediate cut from 670,000 to 420,000 gallons a week in the factory's demand on the mains. And he believes that the £30,000 investment in the well will, before long, enable the plant to manage only one tenth of the good drinking water that it formerly took from the Torbay community.

The Technical Page

ED BY ARTHUR BENNETT AND TED SCHOETERS

PRINTING

Converts rotary press litho

INCREASING number of users are changing to forms of computer controlled lithography, largely the aim of eliminating the "hot metal" aspect of the process. Final step, printing the paper, is likely to remain unchanged on large circulation papers, partly because of cost of replacing the old machines and partly as litho plants will only be a limited run. Provincial newspapers face problems, but because print runs are shorter, they have a cheaper alternative: setting web offset litho. Components in the technology needed for the conversion of rotary presses to printing.

adaptation has already carried out on some 30 presses in the UK, including Wall Street Journal, and about 20 Scandinavian presses with rotary machinery one year to 60 years old. The important aspect of the conversion is the system for using a uniform film of water rollers on the converter-press rotary so that lithography printing can be carried out. Such a system was designed by PAL, 211 Bromley Road, Bromley, London, SE6 2PG (1331).

company says that a newspaper Society member already expressed interest in the 50,000 circulation, and with cold set technology already in use. The installation will be carried out on a provincial newspaper, where it will be used for evaluation and training. The company says the cost about £7,000 to £8,000.

is applied to the first roller from page-copies on each printing couple. The rollers are chrome-plated, with the water-inkness controlled by a doctor blade. Postdoctor of the chrome and doctor blades is by cylinders, and the rollers is controlled

by a fractional hp DC motor. Individual devices for each page across the press assist printing crews to achieve correct ink/water balance quickly and reduce paper wastage. Instead of the film output from photocomposition being used to produce either metal stereotypes or wrap around photopolymer plates, 0.012 litho plates are mounted on saddles and used to print directly on to the web of the rotary machine. The conventional offset litho rubber blanket is not needed. This has been achieved by the development in the U.S. of much tougher litho plates stated to be capable of runs up to 100,000.

COMPONENTS

Faster pneumatic cylinders

MARTONAIR has introduced a range of metric, double acting, cushioned air cylinders. Called the "New Standard" range, these M13000 cylinders incorporate free-floating pistons, which is claimed to produce piston speeds twice as fast as conventional cylinders. Bore sizes available are 32, 40, 50, 63, 80 and 100 mm., and the mountings are dimensioned to fit in accordance with BS-4862 and C.E.T.O.P. RP43P where appropriate. Stock strokes to BS-4862 are available.

Operating pressure range is 1 to 10 bar (15-145 psi) with cushion pressure acceptable up to 40 bar. The maker is at St. Margaret's Road, Twickenham, Middx., TW1 1RJ.

Use a Mole to block the hole

wrench, and designed by Tucker Fasteners, the device, called a Sprinklump, is in two forms—one for sprinkler heads installed in suspended ceilings, and one for externally fitted heads. If a sprinkler of the quartz phial or soldered strut type is accidentally activated all an operator has to do is to apply the self-actuating clamp and close the handles. This action squeezes a sealing pad against the water outlet. It will hold against pressures up to 150 psi. Sometimes a small fire may activate only one sprinkler of the system, and the clamp can then be used to prevent further water damage. Main advantage is that the individual sprinkler can be stopped until there is a convenient time to shut down the whole system, leaving the rest of the building if there is another fire.

The clamp can be instantly released in the same way as the wrench, by a simple lever action. Details from M. Mole and Son, Crindale Works, Albany Street, Newport, Gwent, NET 5XZ (0633 894811).

RESEARCH

Waste heat recovery

INTERNATIONAL Research and Development is continuing its work on the recovery of waste heat using heat pipes and has recently tested an exchanger to derive heat from exhaust gas streams. It incorporates 76 acetone filled and finned heat pipes arranged similarly to the tubes in a conventional air-cooled heat exchanger. The evaporator sections are in the hot gas stream and take up heat, which is then given up to the cold gas passing through the adjacent duct. During tests the prototype, with a heat transport capacity of 15 kW, cooled an exhaust flow from 65 deg. C to 48 deg. C while heating the incoming air from 21 deg. C to 35 deg. C. Operation with low temperature differences between ducts, as would occur in air conditioning, was also successful.

IED says that the range of working fluids that can be used permit operations in exhausts from most industrial processes. With pipes in series up to 60 per cent recovery rate is possible in very high mass flow rates. Absence of moving parts makes the pipes very reliable. More from Fossward Newcast-upon-Tyne NE5 2YD (0632 650451).

PROCESSES

Improved powders for coatings

BELIEVED TO be the biggest of its kind in the U.K., a twin-screw 600 kg/hr extruder, developed by Baker Perkins Chemical Machinery, has been installed at the Birmingham factory of Drymamel, doubling the company's powder coating production capacity. The machine has been linked to a flow-line powder manufacturing system producing thermoset powders for coatings, a finish achieving increasing acceptance in the domestic appliance and automotive industries. The development is part of a £1m. investment programme undertaken by this TI company to expand production.

The raw material mixing and dispersion capability of the machine enables a new degree of powder quality and consistency to be obtained, says the company. After the pigments, resins and hardeners are fed through the twin-screw extruder, which mixes them at a raised temperature, the mixture is cooled on a conveyor then ground into various finishing powders. One powder, formulated for high gloss and flow, is already in use to coat tumble driers at Servis Domestic Appliances. More from Tube Investments, P.O. Box 39, Coventry, CV4 9DA (0203 75521).

ELECTRONICS

Two power supplies

A PROGRAMMABLE DC power supply providing 200 watts in the 20 to 50 V range, the HP 8002A, has been announced by Hewlett Packard. It can operate as a constant voltage or constant current source. Voltage output is adjustable from 0 to 50V while the maximum available current is automatically controlled. Conversely, current output can be adjusted from zero to 10A while the maximum voltage is controlled to maintain the 200W power limit. Adjustments can be manual via front panel controls, or the supply can be digitally controlled direct from computer, calculator or other controller via



A Bedfordshire race horse trainer, Brian Thompson, with the help of Imperial Chemical Industries' Plastics Division, has come up with an idea to ease some of the shocks transmitted to horses' hoofs by hard going. As a result, ICI's ethylene vinyl copolymer, and injection moulded by Peter Thornton (Engineering) of Porters Wood, St. Albans, have been developed. They are placed on the horses' front hoofs before the shoes are fitted. When a horse is galloping or jumping, they absorb much of the jarring.

an optional interface. More on Wokingham 784774. Also just put on the market by Coutant Electronics, is a low cost unit designed to power microprocessor systems. Called the EMP series, the units provide a 5V primary power line, a five to nine volt bias supply, and auxiliary +12V supply rails. It is thus possible to drive microcomputer, RAM and similar logic systems. Versions are available for different current drains from the various voltages. Coutant Electronics is at Traford Road, Reading RG1 5JR (0734 55391).

MATERIALS

Tough cover for school books

MADE ENTIRELY from waste paper and with high resistance to tear, burst and rough handling, a new grade of strong machine glazed pressings has been introduced by the Wansborough Paper Co., St. Decuman's Mills, Watchet, Somerset (099459 4501) for conversion into educational exercise book covers. The 125 gms/square metres paper believed to be the first of its kind to be made in Britain,

15 minutes as an immersion solution and one to two minutes if applied by spray. Operating temperature is normally between 60 deg. and 80 deg. C. The surfactants in the solution are said to be biodegradable. Pyroclean 42 is sold as a powder in 50 kg sacks, and can be used in industrial washing machines.

CONFERENCE

Effective use of electricity

CONFERENCE and associated exhibition entitled "Electricity for materials processing and conservation" will be held at the Institution of Electrical Engineers, March 8 to 9 next year. It is to be organised by the power division of the IEE in conjunction with some eight other bodies concerned with technology and will cover the processing of all types of materials by rolling, forming, cutting, heating, welding, melting and sintering together with any associated heat recovery. Mechanical handling and process control are included together with applications of electrochemistry and electrolysis in the production and refining of metals and other materials, and in the treatment of effluents. Applications for space in the exhibition should be made not later than September 17, 1976. The IEE is at Savoy Place, London WC2R 0BL (01-240 1571).

COMPUTERS

New Telex centre

ONE of the best things seen on entering the new engineering centre that Telex Computer Products has set up close to London Heathrow Airport are some pricing graphs with a heading: "Why buy your peripherals from Telex when you can pay IBM 584 per cent more." The smoke from the various U.S. lawsuits may or may not have blown away in any event if Telex's attack on IBM's peripherals market is to maintain momentum quick, apt and low cost response to demand is vital—which is the main reason why the company has spent £100,000 to set up the 20,000 square feet European centre at Feltham.

With 40 staff and close control of the spare inventory using a computer, the centre is refurbishing tape and disc drives, printers and other items at the rate of about two per day, providing in addition a parts response within 24 hours to the company's 200 engineers throughout Europe. The centre also controls all hardware deliveries from the U.S. for European distribution and trains all the company's field engineers.



KGEL LTD
Kennedy Tower,
St. Chads Queensway,
Birmingham B4 6EL

Interestingly, it also looks as if Telex intends to undertake service of other manufacturer's products, and to assemble the Lockheed System III (which it currently only distributes) at the centre.

METALWORKING

Stores and cools mould sands

COMBINING BULK storage capacity and a heat exchanger, a silo cooler designed to cool and store hot, dry, free-flowing sand, reclaimed from used foundry moulds and cores, has been developed by Newcast-upon-Tyne Engineering, Newport Road, Pant Glas Industrial Estate, Bedwas, Gwent (0222 885711).

Four basic models are being made with capacities ranging from 40 to 100 tonnes (the company reports that inquiries have already been received for silos up to 200 tonnes). Cooling rates are between five and 20 tonnes an hour. Standard temperature drop that can be achieved is 225 deg. C from an incoming sand temperature of 250 deg. C. Wider thermal ranges can be provided for by modifying the heat exchanger design.

The rectangular silo body contains a multi-tube, counter-flow, air-cooled heat exchanger housed at its base. If necessary additional cooling can be provided by water mist injection. For versatility, the unit has been designed so that the company reports that inquiries have already been received for silos up to 200 tonnes). Cooling rates are between five and 20 tonnes an hour. Standard temperature drop that can be achieved is 225 deg. C from an incoming sand temperature of 250 deg. C. Wider thermal ranges can be provided for by modifying the heat exchanger design.

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FRIDAY, AUGUST 20, 1976

Electing our Euro-MPs

IN ITS latest report on direct elections to the European Parliament the House of Commons Select Committee has decided to play for safety. While admitting there is a strong case for proportional representation in European elections, it finally plumps for the present first past the post system, and on the second key issue, the allocation of seats inside the U.K., it comes down in favour of a simple solution under which all constituencies would have roughly the same number of voters.

The resulting figures give 66 seats to England, 8 to Scotland, 4 to Wales and 3 to Northern Ireland. A small allowance has been made in favour of Scotland, Wales and Northern Ireland, but the Committee has made it clear that there should be no premium for claims to "nationhood".

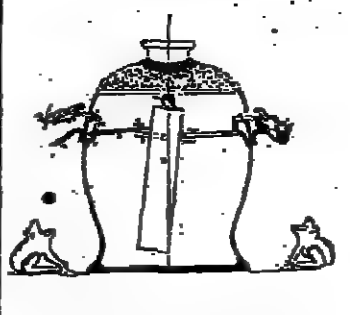
1978 deadline
The Committee, which wants Britain to meet the 1978 deadline for the first election, is clearly anxious to avoid any unnecessary political or procedural complications in the short time available. Indeed it suggests that Boundary Commission procedures will in any case have to be streamlined if Britain is not to risk falling behind her partners and delaying the whole operation. But both its principal proposals are likely to arouse considerable criticism. The Liberal Party and the newly formed National Committee for Electoral Reform have already furiously attacked the Committee's rejection of proportional representation, and there will undoubtedly be complaints that the seats proposed for Scotland and Wales are too few. The inevitable comparisons with Luxembourg (6 seats), Ireland (15) and Denmark (16), dismissed by the Committee, are bound to be heard again.

On this point, the Committee's approach is entirely proper. If Scotland and Wales are to have more seats, they could only do so at the expense of England, which already, under the Committee's present proposals, would have more voters per constituency than the other two. So long as Scotland and Wales remain part of the U.K., there is no reason why English should be

justified. But some groups are still protesting against the effects of restraint on their own pay structure. The seamen, for example, are resentful about the fact that, according to the rules of stage one, their next increase will be due only next January instead of last July.

The junior hospital doctors are also resentful about the interpretation of the stage one rules proposed by the Government and some of them have been taking industrial action of one sort or another for some time past. The point at issue here arises out of the agreement that they should work a basic hourly wage and be paid overtime rates for the excess. The junior doctors (and some of their employers) took this to mean that they would be paid at overtime rates during leave in return for the extra work they incurred while colleagues were on leave.

Rough justice
The Government, however, argues that this arrangement, though acceptable in principle, is not consistent with the rules of stage one. Since, however, this has created a distinction between doctors who have already signed contracts incorporating holidays paid at overtime rates and those who have not and implies that the former group may suffer a sharp fall in earnings when their (mostly short-term) contracts expire, the Government has proposed that doctors moving to new posts should suffer no loss of income as a result. This is a considerable concession, and would probably have been accepted were not the whole medical profession up in arms about a number of issues affecting the future of the Health Service. The junior doctors and the seamen, like other groups of workers, should accept the rough justice inseparable from temporary pay restraint. Yesterday's decision by the doctors to postpone action, it is to be hoped, will still lead to a settlement.



ORIENTALS are no strangers to natural disasters—the Chinese have written records of earthquakes over nearly 3,000 years—and it is not surprising that Chinese folklore associates big disasters with the fall of dynasties. For this reason alone it might be expected that the Chinese would be rather reluctant to disclose details of just how damaging this summer's series of major earthquakes—particularly the one which devastated Tangshan on July 28—have been.

In most other respects, however, the Chinese are revealing an enviable sophistication in their approach to a hazard from which several dozen (mostly Third World) nations can expect no early escape. On the other hand, U.S. experience this year has shown that, at least for western society, scientifically convincing earthquake prediction can bring some formidable social problems in its wake.

Earthquakes and volcanoes—closely related natural phenomena—are commonplace along certain well-defined "belts" across the earth's surface. One belt rings the Pacific, passing through Japan, China, Indonesia, the eastern seaboard of South America, California and Alaska. The second stretches from the Middle East to Indonesia, where it links up with the first.

As an explanation of these unstable belts in the earth's crust accompanies the theories of "plate tectonics" which have become widely accepted among earth physicists in recent years. The theories postulate the existence of six or seven separate plates of solid rock, of the

order of 60 miles thick, forming the rigid outer shell of the earth, each being free to slide slowly on an underlying layer of near-molten rock. The earthquake belts, it is held, coincide with those zones where the gaps between the two crustal plates are currently moving in relation to one another, thus causing upheavals at the earth's surface. It has been estimated that each year strain energy equivalent to 200,000 tons of TNT generated by such movements is relieved in the form of earthquakes. The most cataclysmic events can release energy equivalent to about 100m. tons of TNT.

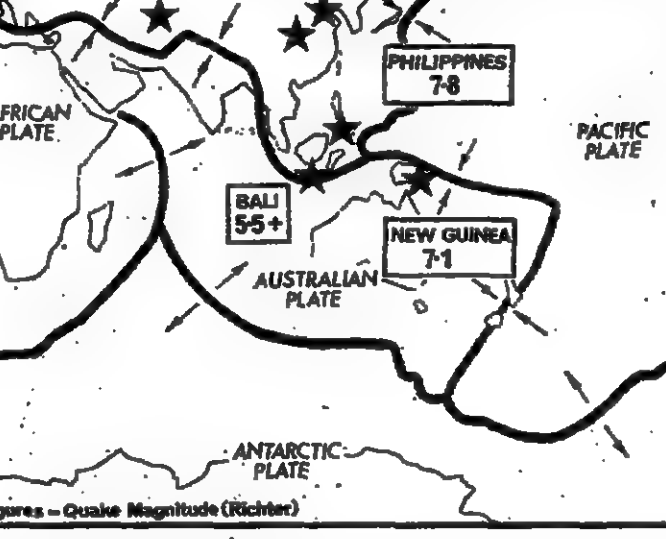
Afflicted belts
Valuable though the theory of crustal plate movements has proved to science—for instance, in explaining the distribution of oil and metals, where it is providing important clues to fresh deposits—it does not get us far in the prediction of earthquakes. Apparently dangerous with death tolls of four or five figures, a significant portion of the world's population yet lives along the afflicted belts. More over, the disturbances of the earth's surface are by no means confined to a narrow zone above the grinding plate edges, as the map shows in the case of the recent Chinese earthquakes.

In the late 1960s the Russians disclosed an important discovery in the field of earthquake prediction. They had been monitoring seismic activity in the Garm region of

Tashkent, measuring many factors such as electrical resistivity of the ground and slowly on an underlying layer of water levels in wells, all of which behaved erratically before an earthquake. They held, coincidentally, that the ratio between the velocities of two crustal plates are currently moving in relation to one another, thus causing upheavals at the earth's surface. It has been estimated that each year strain energy equivalent to 200,000 tons of TNT generated by such movements is relieved in the form of earthquakes. The most cataclysmic events can release energy equivalent to about 100m. tons of TNT.

The first practical use of earthquake prediction, however, appears to have been made neither by Russian nor U.S. scientists, but by the Chinese, who late last year disclosed that they were issuing earthquake predictions and claimed that such actions had already saved thousands of lives in at least 11 quakes. Perhaps this is not altogether surprising for there was a Chinese seismic sensor, meter, as early as AD 130. As the sketch above shows, it took the form of a pendulum mounted inside an ornate vase, which swung when perturbed by earth tremors, dropping one of eight metal balls held in "dragons" heads round the rim into the mouths of ceramic frogs, thus indicating both the occurrence and the direction of the quake.

In April this year, a Californian seismologist who has been studying the San Andreas fault running through his State—leaving another six major Californian cities sitting above



The six main tectonic (shifting) plates forming the earth's crust, showing how closely most of the major earthquakes and volcanoes (marked with stars) this year conform to their boundaries, where plates are converging, diverging or grinding against one another. The sketch (top left) shows a Chinese precursor of a modern earthquake sensor, dating from AD 130.

MEN AND MATTERS

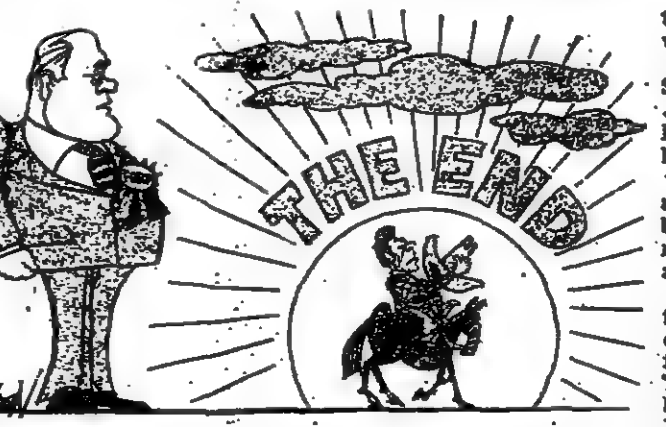
Addey: the clients will decide

"There is no way to bribe or twist, thank God, the British journalist," runs the famous saying. The second part of the couplet goes: "But seeing what unbribed he'll do there is no reason to."

For me, part flattery but with a sting in the tail. However, bribery is a much smaller problem than the libel laws and the problem of commenting on situations which are sub-judice. In these litigious days that can impose severe strains on the humble journalist—not to mention the fact that the public gets only part of the truth.

Take, for example, the situation of John Addey Associates, one of the most successful financial public relations consultants to emerge in recent years. Its founder and controller is John Addey himself who, on his own admission, made the mistake of getting involved in the legal battle going on between Sir James Goldsmith and the magazine Private Eye.

As a direct result of this Addey has lost at least one major account—that of Tesco which was worth £10,000 a year. Total losses in PR billing amount to around £50,000 so far, although £10,000 of that would probably have gone away since companies like to change their PR's from time to time.



Chairman, deprecates the way American centres was a complex operation, and Navarro himself, like newspaper tycoons of a largely hygienic age, imposed his own conservative opinions on Vision and was reportedly soon parted from those not sharing his own views. The new owners of Vision, which claims one of the highest magazine circulations in Latin America, are a group of northern Mexican businessmen. The sole British member of the editorial board is Lord Montgomery, son of the late Field Marshal, who is expected to continue with the new proprietors.

Selling Siegel
Oliver Siegel was once (at the end of 1972) very something about the quality of some British management, which he described in a magazine article as "drunken and glib." As it happens, drink was a subject he had reason to be knowledgeable about that busy year, came to be edited in Britain because his Siegel Securities firm was acquired in 1970 by group took over the Walter S. Rafael Navarro, the Cuban-born Siegel wine and spirit shipper financier and former head of the Gramco group, who died earlier this year at the age of 40.

Editing in London and print-ing in a number of Latin self had "one of the better non-



Peking families willingly followed their leaders' order to live in the streets following 1 month's Tangshan earthquake.

active faults. One estimate of the cost of instrumenting all major earthquake areas in mainland U.S., Alaska and Hawaii is \$15m. But not everyone welcomed such an authoritative prediction. According to the U.S. Journal Science, there was talk of the scientists, and anyone else who made earthquake predictions, for any consequent fall in property values.

Then the question arose how far such a prediction should be used to enforce higher standards of safety in public buildings. For example, Los Angeles has 45 old theatres which fall short of current codes of earthquake design and are considered likely to collapse in a medium-size quake. So far the city's theatre proprietors have resisted pressures to modify their buildings, which it is estimated would cost them about 85 per cent. of the price of new buildings.

Even so, California's theatres are merely a microcosm of the total problem for a highly developed community. Science estimates that it would cost \$10bn. to \$12bn. to bring all the old buildings in quake-prone parts of the States up to modern standards. Worse still, risk could itself have a disastrous effect on business confidence and hence on the financial basis of the community. It would also raise serious questions for the U.S. Government about insurance, for although it subsidises flood insurance no such federal policy operates for quake-prone areas.

U.S. scientists at least must envy the apparent simplicity and docility of Chinese society. A team of earthquake experts which returned from China just before the quakes which rocked the region north east of Peking in July is reported to have been impressed by the willingness of Chinese leaders to order evacuations in advance of earthquakes, and the seriousness with which people respond to such warnings.

A sociologist who accompanied the U.S. team is quoted in today's issue of Science—saying that some of the Chinese

GRANADA? OLYMPIC FORTNIGHT

The North-West's* loyalty to Granada Television during the two weeks of the BBC's main Olympic coverage was shown by:

- 1 Granada held all but one position in the Lancashire area Top Ten programmes for the two weeks.
- 2 During the main evening viewing periods, Granada's average audience either matched or exceeded last year's.
- 3 Seventy-six ITV evening programmes were shown on the network during the same period—with Granada gaining 34 highest and 25 second highest ratings.

For those who want the details:
Peak-time Ratings for the two weeks ending 1 August compared with the similar period last year were as follows:

	1975	1976
Weekdays	29	29
Saturdays	22	30
Sundays	21	25

*The North-West comprises Greater Manchester, Merseyside, Lancashire and parts of adjacent Cheshire and North Wales counties.

GRANADA TELEVISION



Observer

Whitehall report has urged the abolition of differences between men and women in occupational pensions benefits. Eric Short reports.

The cost of sex equality in pensions

PRINCIPLE of equal pay for an identical male and female employee. The CBI in its evidence on the subject stated that equality of status as between men and women cannot automatically mean equality of benefit. But the O.P.B. has decided otherwise and stated that, in money purchase schemes, employers should pay the same for men and women.

The O.P.B. has stated that the cost of the pension scheme should be based on what would be the cost of a pension scheme for men and women. It is not clear whether this means that the cost of the pension scheme should be based on the cost of a pension scheme for men and women, or whether it means that the cost of the pension scheme should be based on the cost of a pension scheme for men and women.

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RATIO OF VALUES OF BENEFITS FOR MEN AND WOMEN

Type of benefit	Both paid at 60	Both paid at 65	Both paid at 65 for man aged 60	Both paid at 65 for woman aged 60
(a) Flat rate pension for each	1.10	1.12	1.24	1.39
(b) Pension for each increasing at 5% a year	1.15	1.18	1.37	1.74
(c) Flat rate pension for each plus widow's pension of 50%	0.98	0.97	1.07	1.71
(d) Increasing (5%) pension for each plus widow's pension increasing at 5% a year	0.96	0.96	1.11	1.41
(e) Flat rate pension for each plus spouse's pension for each	1.02	1.01	1.11	1.70
(f) As (a) but all pensions increasing at 5% a year	1.01	1.01	1.17	1.48

The table shows the capital value of the retirement benefits payable to women expressed as a ratio to the corresponding benefits to men. The calculations ignore the effect of waiting when the pension ages are different.

Source: Faculty of Actuaries and Government Actuary's Department

different contributions for men and women. In order to eliminate the difference in benefit which would otherwise result from mortality differences between the sexes.

In a nutshell the O.P.B. has recommended that the difference in mortality between men and women must not be allowed for in the determination of pension scheme benefits. But the difference exists and cannot be eliminated by any legislative measure. Therefore it has to be taken into account in costing the scheme and here the employer will find himself paying more into the pension fund for his female staff than for his male staff.

The table on the right shows

the mortality rates between men and women, as well as the same pension. It is perhaps fortunate that the O.P.B. enlarged on what it meant by identical benefits. It is almost universal in pension schemes which start from the benefit end to express the pension benefit as a fraction of salary for each year of service.

What is more serious from an employer's viewpoint is the other main conclusion of the O.P.B. that equal status must mean equal pension ages. Lord Allen of Abbeydale, the chairman of the Board, made it very clear at the Press conference which discussed the report that the O.P.B. was not empowered to make recommendations regarding the State scheme. Nevertheless the implications are clear when the report states that when the State scheme has equal retirement ages then occupational schemes should be required to have the same pension age.

This is a logical move, but there is nothing to stop the Government legislating for a common retirement age for occupational pension schemes and specifying what that age be, while doing nothing about the State scheme. The O.P.B. did not make any recommendations concerning the most suitable common age, but did investigate the likely effects of various common ages.

The effect of reducing the retirement age of men to 60 is to increase the contribution rate by an estimated 2 per cent. So by age 60 women had acquired 35 years' accrual compared with 40 years — the maximum allowable — which men can acquire by age 65. The equal access provisions of the Social Security Act 1975 impose an equal entry age and pressure is already on to reduce the age for women to 21 rather than to 25. Thus with an entry age of 21,

MORTALITY RATES PER THOUSAND OF ACTIVE STAFF AND PENSIONERS IN LOCAL GOVERNMENT (ENGLAND AND WALES): ACTUARIAL VALUATIONS 1968-1972

Age Group	Men				Women			
	Southern Non-manual	Region Manual	Northern Non-manual	Region Manual	Southern Non-manual	Region Manual	Northern Non-manual	Region Manual
Active Staff Under 25	0.6	0.6	0.5	0.5	0.3	—	0.2	—
25-29	0.6	0.6	0.6	0.7	0.3	0.6	0.2	0.4
30-34	0.6	0.9	0.7	0.8	0.7	0.4	0.2	0.3
35-39	0.8	1.1	0.9	1.5	0.7	1.4	0.8	0.4
40-44	1.8	2.5	2.4	2.6	0.9	1.4	1.4	1.8
45-49	3.1	3.8	4.4	4.5	1.4	2.6	2.0	2.1
50-54	6.2	6.8	7.4	7.4	2.8	2.1	2.9	2.7
55-59	9.9	11.1	11.0	12.1	4.1	3.8	4.4	3.7
60-64	14.5	17.5	18.1	17.6	6.8	6.0	5.9	5.0
Pensioners								
70-74	51.0	59.0	58.0	64.0	21.0	28.0	30.0	29.0
75-79	80.0	90.0	93.0	97.0	42.0	57.0	51.0	45.0
80-84	179.0	126.0	130.0	148.0	74.0	109.0	93.0	92.0
85-89	162.0	198.0	201.0	213.0	128.0	168.0	191.0	137.0
90 and over	240.0	298.0	268.0	329.0	231.0	173.0	200.0	264.0

Source: Government Actuary's Department.

many employers could meet a bill of this size. A few schemes have made the move to equalise pensions: the Imperial Group introduced a common retirement age of 60 from January 1 this year. But a survey of pension consultants and consulting actuaries reveals that this action is very much the exception.

It is very doubtful whether the Government will take any action on the present set-up of the State scheme regarding equalising ages. The latest estimate of cost to lower the men's age to 60 is £1,400, a year—roughly 3 per cent. of the combined contribution rate. Employers could not meet this sort of increase on top of the higher contributions being demanded from 1978, when the new earnings-related State scheme starts.

It would make financial sense to move the women's age up to 65, but it appears that the only pressure to do this comes from professional and business women. The experience of occupational schemes is that most women members retire at 60 or shortly after.

Whatever happens it looks as if employers are going to have to foot the bill for equality of status in pensions, although no pensions expert seems to be prepared to quote an estimate for the size of the bill.

However, the other equality provisions recommended by the O.P.B. will go some way towards reducing the cost differential between men and women. The 1975 Act has extended the concept of employee benefit provision from just retirement pension to full protection for widows of members. The O.P.B. wants full protection for survivors of members, which means automatic provision of widows' pensions.

If widows' pension only are provided the table shows that it becomes marginally more expensive to the employers to meet the costs for men than for women. Provision of widows' pensions is not very costly but likely just to tip the scales in making it more expensive for women than men. The reason why widows' pensions are more expensive than widowers' results from two factors. One is the lighter mortality of women, the other the average differential between husband and wife of three years. Both these factors act in the same direction, resulting not only in more widows than widowers but also in paying widows' pensions for a longer period than widowers. But while this equals the cost to employers between men and women, it is a levelling up process.

Letters to the Editor

Itour the

W. Whalley.
Useful immediate step the effects of the would be to set about a stubble fields for roughing. The curtail-building activity for lack funds or of water means a number of personnel for setting out contractors surely would such a move, calculated such rain as may eventually thereby restore soil and direct it into the aquifers, rather than runoff.

are grown successfully as with 16 inches rain, as in the prairie the U.S. west of long involves cultivation on designed to catch and rainfall, so farmers despair even if we are a reputation of such as the present one, would be a useful move cultural interests to what changes might be to cope with such a More sheep and fewer instead of potatoes, of dry upland to grass instead of cattle per early such changes olive modifications in omed diet.

that a great deal of y spadework might be en now and February time the pattern of is weather will be if it reverts to normal, if not we shall be on to start adapting accordingly.

Halley,
Hungerford.

Mind the mains

From Mr. G. Granter.
Sir,—I should like to comment from my experience of living in a house with a metered water supply. In my own instance there is absolutely no incentive to save water as the water authority set a minimum charge, probably with some reference to rateable value, and average domestic consumption equals about half the minimum.

Then there is the hair-raising expense of the main bursting on the householders' side of the meter. Unless the water authority looks sympathetically at it (it is in my case) the bill one could find oneself bankrupt without even so much as a hint of the impending financial disaster.

G. E. T. Granter,
Dogshead,
Limpfield, Surrey.

Gloom not shared

From Mr. C. Emery.
Sir,—Reference Mr. F. Martin's letter (August 17); may I suggest that the media give less publicity to the views of just a few stockbrokers some of whose circulars are quoted fairly regularly in the Press and on the box. The public can be forgiven for thinking they represent the views of stockbrokers generally but my firm, for one, does not share the gloom and despair often expressed (and I think our clients have benefited from this).

C. W. Emery,
Duff Stoop Pim Vaughan,
1, Great St Thomas Apostle,
Queen Street, E.C.4.

The future of broking

From Mr. J. Stewart.
Sir,—During the past few weeks and while stock markets have been so inactive, the majority of both daily and Sunday newspapers have seemingly relished in publishing articles concerning the future of the stockbroking profession, and although many of the arguments and particularly those concerning private client business, are undeniably true, I cannot accept the arrogant utterings of various of our larger brethren about the shape of brokerage houses in the future.

Needless to say, as a partner in what presumably can be described as a small to medium-sized firm, it is predictable to say the least that I would disagree with the view that we apparently fall within the most vulnerable category and that our days are virtually numbered. One must accept the point of view of others, however, and I hope that the immunity to present difficult conditions which many large firms appear to possess will, in fact, be proven in due course.

For our part, my partners and I shall struggle on in our endeavour to stave off predicted annihilation by continuing to employ in our decisions as high a degree of realism as possible. We are under no illusions and, like many of our size, we have already been through a period

of sometimes painful internal rationalisation leaving us leaner and, hopefully, fitter to face the future. I venture to suggest that in many instances those who are presently forecasting our demise have, in fact, not yet fully woken up to reality and will therefore undoubtedly have to overcome relatively greater difficulties as their expensive City accommodation, overstuffed and in many cases, inefficient, administrations continue to seek up their substantially reduced earnings.

Might I suggest, therefore, that they attend to their own problems before starting to speculate as to mine. Perhaps the plan is to frighten smaller firms into hasty and ill-conceived mergers culminating in the acquisition of their business, a few partners and next to no staff and by employing the economies of scale at others' expense will hope to maintain the type of existence enjoyed in more affluent times. We have been approached!

J. P. Stewart,
49, Gray's Inn Road, W.C.1.

Running pension schemes

From The General Secretary, Association of Professional, Executive Clerical and Computer Staff.
Sir,—Following Mr. Lander's letter (August 13) I feel that I should comment on the matters which he raises from a trade union point of view.

It is extremely difficult to envisage trades unions negotiating pensions benefits with employers when no occupational scheme exists. Certainly, we may use our influence to ensure the institution of such a scheme, but this occurs before, and not after, discussions of the actual running of the scheme! Indeed, it is only through legislation that many employers, whether with schemes or not, have been forced to accept that trades unions have a legitimate interest in pensions.

We believe that it is only unions, with considerable expertise and experience in the field of pensions, which can effectively negotiate on behalf of the workforce. We welcome the Government's recognition of the fact that, since pensions are deferred pay, negotiation and participation in regard thereto can be most effectively achieved through trades unions. No one suggests that non-unionists should negotiate pay.

We in the union movement believe that we have as much a "pro-beneficiary" stance as any other party involved; after all, one of our functions is to negotiate, improved benefits. Given that pensions have only recently begun to be recognised by employers as being within the ambit of collective bargaining, it is understandable that the pensions world (and Mr. Lander) fail to see the importance or complexities of industrial relations in the workplace.

For example, the Association of Professional, Executive Clerical and Computer Staff recognises that there are individuals who have not joined a trade union in other than a class shop situation. Such people have decided not to join trades unionists in the process of job regulation with the employer. As only trades unionists can provide a suitable forum for the representation of all employee interests to the employer on collective issues such as pensions; non-trade union individuals, because they have decided not to participate in such representation, must leave those who have joined trades unions to negotiate on behalf of the whole workforce. Most non-trades unionists gain the benefits of trade union bargaining on

The right to associate

From Mr. R. Vallance.
Sir,—It is rather depressing to observe the apparent total non-comprehension of the viewpoint of TUC trade unions expressed by Mr. Aspinall of the Council of Bank Staff Associations (August 17).

To characterise the TUC unionist position that the certification criteria for registration are being applied too laxly as being an attack on the freedom of association is rather like accusing the Church of England of blasphemy. The entire history of the TUC reflects the vigorous fight to establish and maintain the right of free association. The reason why Mr. Aspinall has not yet been transported to Tasmania is that the TUC was successful in that battle.

Although the history of the TUC is fuelled by the fires of idealism and though this is still a prime consideration, the day to day practice of industrial relations requires a firm attachment to logic and practical realities. The encouragement of a multiplicity of small associations of doubtful efficiency and sometimes of dubious origins would only serve to further fragment an industrial relations structure which is already overloaded with representational bodies. This consideration, however, does not prohibit or deny the right of free association.

The doubts of TUC unions towards certification criteria is hardly a new attitude, as the failed Brigsdale Bill demonstrates. Nor is it an attempt to perpetuate a TUC closed "club," since the bona-fides of non-TUC unions such as the Association of University Teachers or the Institution of Professional Civil Servants are widely accepted by TUC unions and would not be prejudiced by more stringent criteria.

Perhaps the most damning indictment of the staff association system is the apparent parochialism expressed by Mr. Aspinall in his attack on the TUC unions for failing to represent professionals and aspiring professionals. It may be Mr. Aspinall's opinion that this is the situation in banking, but I think that the members of such unions as NUT, ASTMS, NALGO, NATPE, BALPA, etc., would disagree with him on the generalisation. Indeed, within banking one might question whether the "failure" of trade unions is inherent or generated by the existence of the staff associations that Mr. Aspinall seeks to defend.

Last, since the two banking trade unions, ASTMS and NUBE, will have to subject themselves to any new criteria established, along with Mr. Aspinall's staff associations, one wonders what he really fears in this respect.

R. N. Cadoc House,
Temple Street,
Keynsham,
Bristol.

To-day's Events

COMPANY MEETINGS
Ariel Industries, Leicester, 12. English Card Clothing, Huddersfield, 2.30. May and Russell, Bristol, 12. Stroud Riley Drummond, Bradford, 12.

OPENING
English National Opera production of The Magic Flute, Coliseum Theatre, W.C.2, 7.30 p.m.

BALLET
London Festival Ballet dance Spectre de la Rose and Giselle. Royal Festival Hall, S.E.1, 7.30 p.m.

COMPANY RESULTS
Alexanders Holdings (half-year), House of Fraser (half-year), Pye Holdings (half-year).

perform Allegra Brilliante, The Combal, Manifestations, and Douga, Sadler's Wells Theatre, E.C.1, 7.30 p.m.

London Ballet Theatre in Ancient Voices of Children, Quintet, Spotlight and Pasquinade, Coliseum Theatre, W.C.1, 8 p.m.

MUSIC
Henry Wood Promenade Concerts, Early Music Consort of London, director Nicholas Cleobury, in programme of music by Gabrielli, dea Pres. Josquin/Houton, Brumel, and Gombert, Royal Albert Hall, S.W.7, 7.30 p.m.

Pierre Amoyal (violin), Lynn Age Group championships, Leeds.

Hurrell (cello) and Garriek Olsson (piano), with Verner Quartet, play works by Mendelssohn and Schubert, Queen Elizabeth Hall, S.E.1, 7.45 p.m.

Lecture-Recital Talking Point Neville Martin and members of Academy of St. Martin-in-the-Fields: The Direction of Concertante Music, Purcell Room, S.E.1, 3 p.m.

SPORT
Athletics: WAAA championships, Crystal Palace (evening). Golf: Boys' championships, Sunningdale; Double Diamond Classic, Gleneagles; Girl's home Internationals, Pyle and Kebs, Fort-de-Willem, Swimming: National Age Group championships, Leeds.

Two's company, three's allowed.

The smooth, dry taste of Booth's Gin is perfect company for two. What's more, Booth's will harmonise even with the presence of a third party.



Smooth Booth's

COMPANY NEWS + COMMENT

Wedgwood first quarter fall to £0.82m.

THE LOWER first quarter profit indicated by Wedgwood turns out to be £284,000, pre-tax, compared with £1,265,000 for the corresponding period a year earlier. Sales for the period, which contained 50, against 56, working days, increased from £9.86m. to £11.41m. Earnings per 25p share were down from 3.9p to 2.6p.

Second and third months showed progressive improvements with the result that in June pre-tax profit exceeded the budget for the first time, says the chairman, Sir Arthur Bryan. He says it is too early to express the view as to whether this progress will continue and as to whether the year's profit will meet the budget. But conditions in North America are encouraging and demand there and in Europe is healthy and growing.

The home market generally continues to be strong, and the directors remain fully confident of the continuing growth of the company, the chairman adds. The company manufactures fine bone china, etc.

First qtr.
1976 1977
Sales 9,860,000 11,410,000
Pre-tax profit 1,265,000 284,000
Taxation 340,000 470,000
Net profit 925,000 814,000
Extraordinary dividend 250,000 250,000
Total 1,175,000 1,064,000

Comment

Wedgwood is 35 per cent. lower pre-tax, but the month of June saw the group back to a budget of higher profits so at this stage there could still be hopes for some earnings growth in the year. Demand in North America is now starting to pick up—it was noticeably flat through April and May in lower margin areas like earthenware—and the same goes for Europe too. As for the shares the group remains a useful currency hedge. But the market dropped 13p to 187p and Wedgwood is now a quarter below its year's peak. Yield is 4.1 per cent. covered four times and two points short of the return offered by the average industrial share.

R. Clay looks to second half

BOOK PRINTERS and binders, Richard Clay, reports a downturn in pre-tax profit for the half year to July 2, 1976 from £800,811 to £384,442, on a turnover of £3.34m. against £3.29m. The result reflects the depressed level of trading for the early part of the current year anticipated last April. But there has now been an improvement and if this trend continues it is expected that the results for the year will be similar to the £1,014,361 for 1975, the directors state.

Earnings per 25p share for the half year were down from 4.03p to 2.53p. A same again interim dividend of 1p net is declared. Last year's total was 2.57515p.

Net profit came out at £182,942 (£290,511), after tax and p/a of £131,000. Cost of the interim dividend was £71,575 (same).

J. M. Newton pays more

Turnover of John M. Newton and Sons increased from £2,869,750 to £3,098,474 in the

INDEX TO COMPANY HIGHLIGHTS					
Company	Page	Col.	Company	Page	Col.
Anglo-International Tst.	19	5	Lloyds Life	19	1
Aras Group	18	4	London Brick	18	5
Blagden and Noakes	16	4	Lonrho	18	3
Century Secs.	19	3	McKay Securities	19	6
Clay (Richard)	16	1	Newmark (Louis)	16	2
Cooper Industries	16	5	Plessey	16	6
Dixons	19	4	Regional Properties	19	4
Estates House Invest.	18	7	Scottish and Newcastle	19	3
Geffer (A. and J.)	21	5	Unigate	21	4
General Engineering	19	3	Victor Products	18	5
Howden Group	19	1	Wedgwood	16	1
Jacobs (John L.)	16	8	Whitworth Electric	19	6
Johnson Cleaners	16	7	Woodhouse and Rison	19	1
Lec Refrigeration	16	3	Worthington (A. J.)	21	3

Lec Refrig. first half upsurge

FIRST HALF 1976 turnover of Lec Refrigeration increased from £3.78m. to £11.1m. and pre-tax profit advanced from £72,000 to £231,000. Profit for the year 1975 was £140,647.

Both export and home market sales increased by over 25 per cent. in the half year, and the group continues to make satisfactory progress, the directors state.

Earnings per share increased from 6.48p to 7.54p, and the interim dividend is effectively raised from 0.7314p to 0.8536p. Last year's total was equal to approximately 2.11p.

Turnover 3,780,000 11,100,000
Profit before tax 72,000 231,000
Taxation 10,000 15,000
Net profit 62,000 216,000
Dividend 0.7314p 0.8536p
(47,000) after tax of £1,940,000

Comment

The 43 per cent. growth in sales which Lec Refrigeration showed in the first quarter has not been repeated in the second. This is largely because first quarter sales were inflated by buying in front of a price rise. Taking the half year as a whole, the performance is still impressive. An increase of 26 per cent. in sales reflects volume increases in both refrigerators and freezers against the background of a falling market. The number of freezers sold has increased by 38 per cent. despite total deliveries to the U.K. market being down by 14 per cent. This remarkable achievement is partly due to the fall in sterling, which has hit foreign competitors. The shares, at 53p, yield a maximum prospective of only 6.8 per cent., but this has already been covered more than three times at the half-year stage.

Comment

After tax up from £809,000 to £823,000 stated earnings rose from 18.5p to 23.5p per 25p share. The dividend is raised from 4.9775 to the maximum permitted 5.4194p (costing £160,000 (£147,000) with a final of 3.8194p. The retained balance is £609,000 (£413,000).

The directors say the main feature of the results has been the recovery in merchandising activities from the downturn of the previous year caused by the substantial losses arising in that year from the recession in the textile industry.

After Louis Newmark's 31 per cent. increase in pre-tax profits at the interim stage with a forecast of £1.45m. for the year the actual result of a 29 per cent. jump to £1.62m. pushed the shares 5p higher to 105p. It was the merchandising division which set all the running, principally because of an uplift in the textile industry. But this is basically a recovery position for merchandising profits slipped by 10 per cent. during 1974-75 to £117,000, and in total the group's profit is now only 3 per cent. up on those of 1973-74. Elsewhere manufacturing did little more than hold its own. The shares on a yield of 8.1 per cent. and p/a of 3.6 do not appear expensive though the stock lacks an "image" and the market is evidently thin.

Magnet Southern

'Brighter outlook' for new group...

Commenting on the new Group's 'brighter outlook' at the end of a financial year which included three months activity by the merged Magnet Joinery Ltd and Southern-Evans Ltd, Chairman Sam Oxford made the following points:

Profits: Pre-tax profits were £11,327,454, including 13 months' trading by Magnet.

Dividends: A final dividend of 4p per Ordinary Share is recommended.

Capital Expenditure: £4,160,000 was devoted to Capital Expenditure, 'despite all the difficulties associated with inflation and the restriction of the construction industry'. A further £4,300,000 is budgeted during the current year in line with our policy of investing in the future.

Sales: Sales in the first quarter of this year show an increase of 18 per cent as compared with the same period last year.

Progress: Production at Kelghley and Darlington has been improved - Darlington joinery works is in new buildings and the kitchen unit factory is working efficiently with a satisfactory level of orders. Complete retooling of the joinery factories is nearing completion, making them among the best equipped in Europe.

Holland: The Dutch companies have performed well and, with activity improving in Holland in advance of the U.K., they are producing excellent figures.

Developments: The Bolton Company of F. J. Webster Ltd joined the Group in January and already they are making a useful contribution. A new sawmill and distribution centre has been opened at Wishaw, Scotland; a ten-acre site is being developed at Northampton; a well-situated site at Peckham, freed by the Northampton development, will become a leader centre for London deposits; an 11 acre site at Swinsea will re-house an established business; ten new depots are planned to open this year.

Looking Ahead: Cuts in public expenditure to fight inflation cannot bring bright prospects to the building industry, but an improvement in the private sector is forecast and this favours our style of trading. Even if there are fewer new houses for local authorities, they may be expected to spend more on improvements - again ideally suited to our nationwide network of depots. Recent amendments to the Price Code should give us some help against the Government's restrictive measures. With all our units in first-class shape and with the excellent standard of morale throughout the Group, we will undoubtedly give a good account of ourselves in this current year.

People: Mergers can often be traumatic experiences for all concerned. With Magnet & Southern we have got off to an even better start than was expected, and this is wholly due to the wonderful spirit of co-operation that exists among all our employees. I am most grateful to all of them and for the great help I have received from all my Board colleagues.

Full report available on request from the Joint Secretary, Saxon House, Widdow, Cheshire.



tively lifted from 0.7p to 0.75p net per 25p share, backed by directors and their families on 1,103,289 shares. Last year's total was equal to 2p.

Principal activities are in steel stockholding of steel plates, etc.

Blagden & Noakes £3.4m. aim

A RISE of 53.8 per cent. in pre-tax profits to £1.6m. is reported by container chemical and protective equipment group, Blagden & Noakes (Blagden), for the half year to June 27, 1976, and the directors expect second-half profits to be at least as good as those now reported.

Pre-tax profits last year totalled £2.4m.

The net interim dividend is lifted from 2.3p to 2.53p per share and a maximum permitted dividend total is anticipated for the year - 6.025p - compared with 5.48p previously.

Earnings per 25p share are 11.5p (8.4p).

The chairman, Mr. J. K. Noakes says the overall recovery which was anticipated for this year has exceeded expectations. This is due to the higher demand for steel containers and plastic engineering mouldings and with the economy becoming more buoyant directors expect this trend to continue.

Improvement in the chemical division has been slow to materialise but should become evident before the year end. The level of sales and profitability of industrial protective equipment, which did not suffer from last year's recession, remains excellent.

Turnover 1,200,000 1,800,000
Profit before tax 1,200,000 1,800,000
Taxation 100,000 150,000
Net profit 1,100,000 1,650,000
Dividend 0.7314p 0.8536p
(47,000) after tax of £1,940,000

Comment

Blagden and Noakes interim profits are 54 per cent. higher pre-tax and the group looks well on the road to pushing ahead of its previous peak of £3.1m. to say, £3.5m. The key to the performance is the steel drum division, where interim trading profits have jumped by 19 per cent. as the chemical industry's requirements increase on the back of higher chemical exports. Elsewhere the contribution from its own chemical merchandising side was disappointing and as a whole the division's profits eased by a third. All in all, Blagden is still moving firmly ahead and is already sounding confident for 1977.

Productive p/a at 127p is about 5 and the yield is 7.1 per cent. covered over four times. Moreover, there are hints at interesting developments in the near future with perhaps a cash bid in Europe in the area of chemical storage and distribution coupled with a rights issue and dividend hike—though with nearly £1m. of net cash in the last accounts there is no liquidity problem.

Common Market Trust

The directors of Common Market Trust have been informed by the Inland Revenue that there is no need for the provision, previously made, of £36,771 for U.K. tax on dividends received from U.K. listed stocks.

Accordingly, as forecast, they declare a second interim dividend of 1p per participating share.

Results, previously announced, have been amended to incorporate the change caused by this provision.

Amended figures show: net income for the year to June 30, 1976 of £29,881 after Jersey tax of £100,825; equalisation payments received of £18,704; minorities of £535; amount for distribution of £217,920. The net asset value is £17,641,997.

T. Clarke looks for record result

Electrical contractors T. Clarke and Co. reports pre-tax profits up from £104,113 to £165,513 for the first half of 1976 and the directors anticipate that the year's results will reflect an improvement on last year's record of £238,246.

The net interim dividend is effectively lifted from 0.418p to 0.44p - the previous total was 0.919p.

Turnover for the half year rose from £2.78m. to £3.93m. Profit before tax of £38,500 (£34,000). An amount of £33,847 (£29,053) is retained.

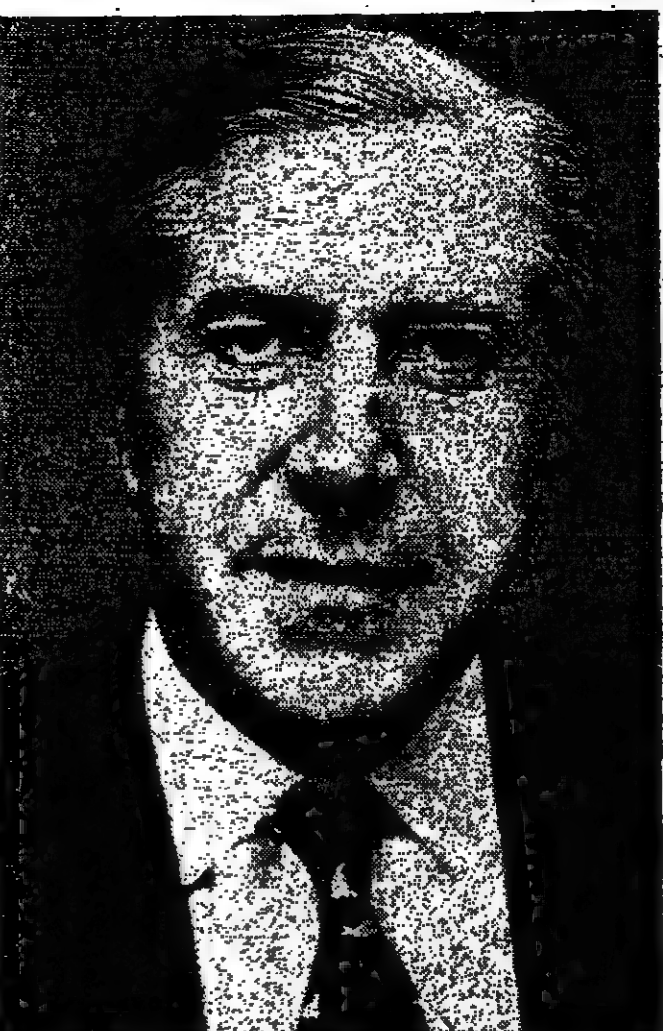
The directors say the group has retained its sound liquidity base and has increased the amount invested on short term deposit. Containment of overheads with an increase of only 15 per cent. and the improvement in trading by the Leeds company has contributed to the increase in profitability, they state.

Witan first quarter rise

First quarter (to July 31, 1976) gross income of Witan Investment Co. improved from £10.7m. to £12.7m. and earnings per 25p share are shown at 0.53p, compared with 0.51p - the year's income amounted to £2.15m. and earnings 1.53p.

After interest charges and expenses of £0.55m. (£0.52m.) and a higher tax charge of £0.20m. (£0.21m.), the balance for the three months is £0.45m., against £0.34m.

Net assets per share at July 31, 1976 were £3.50, compared with 100p at April 30, 1975. The balance at July 31, 1975 was £2.40 (17p) investment currency premium, investments and subsidiaries are valued at £26.74m. (£10.1m.).



Mr. R. W. "Tiny" Rowland, the chief executive of Lonrho, which yesterday reported pre-tax profits £16.2m. ahead at £51.4m. for the first nine months of 1975-76.

DIVIDENDS ANNOUNCED

Company	Current payment	Date of payment	Corresponding year	Total 1976	Total 1975
Anglo-Intl. Trust	1.0(a)	Sept. 30	0.7	—	2.6
Bertam Consol. Rubber	1.77	Sept. 29	1.61	1.77	1.81
Blagden & Noakes	2.53	Oct. 7	2.3	—	5.48
T. Clarke	0.46	Sept. 30	0.43	—	0.93
Richard Clay	0.53	Oct. 1	1.0	—	2.58
Cork Gas	1.0	Aug. 31	2	—	6
Cornell Dressers	0.5	Oct. 1	0.3	—	1.12
Esafes Home Trust	1.49	Sept. 20	2	—	5.5
A. & J. Geller	0.44	Oct. 11	1.27	2.86	2.8
Hill & Smith	0.75	Sept. 30	0.7	—	2.0
Sater Electric	0.48	Sept. 23	0.75	0.95	0.75
Investment Trst. Guernsey	2.25	Nov. 1	1.75	—	—
Johnson Group Cleaners	1.14	Oct. 1	1.03	—	2.32
Lec Refrigeration	0.86	Oct. 18	0.78	—	2.11
Lonrho	1.4	Oct. 28	1.25	—	2.1
Lois Newmark	3.92	Oct. 4	3.47	5.42	4.97
Nelson Estates	0.39	Oct. 4	0.44	0.74(c)	—
Regional Props.	0.25	—	0.23	0.33	2
Sater Electric	0.25	—	0.5	0.25	0.5
Victor Products	1.83	Oct. 1	1.48	2.71	2.48
Whitworth Electric	0.63	—	0.59	0.65	0.59
Woodhouse & Risson Int.	1.04	Oct. 1	0.94	—	0.58
A. J. Worthington	0.58	Oct. 14	0.64	0.63	0.58

Dividends shown pence per share net except where otherwise stated.

(a) To reduce disparity. (b) Gross throughout. (c) For 15 months.

certificates held on September 30, 1976, at 55p per unit.

A unit consists of one income share and one capital share, the middle market quotations on August 9, 1976, being 21p and 3p respectively.

This right is exercisable twice in each calendar year (usually March and September) until the winding-up of the company which will be between January 1, 1980, and December 31, 2002.

The company has substantial cash facilities which are sufficient for needs in the foreseeable future, he adds.

As reported yesterday group pre-tax profit increased from £1,047,281 to £1,234,926 in the year to April 30, 1976, on a turnover of £13.98m. (£13.23m.).

An analysis of turnover and profit shows steel re-rolling and engineering 34 per cent. and £349,902, and land and building activities 11 per cent. and loss £208,284. Associates contributed the balance of £383,288 to profits. Exports, principally to Europe, amounted to £370,677.

Substantial reductions have been made in the value of land stocks. The company's practice is to write down land but not write up when appropriate so that in future substantial profits will accrue in the division starting next year, says Mr. Cooper.

Borrowings at end April have been reduced to 44 per cent. of net tangible assets, compared with 60 per cent. in 1975, and 129 per cent. in 1974. Net tangible assets per share were 16.5p (same) and land and bank borrowings per share 7.1p (9.9p).

It is proposed that on May 1, 1978, each director shall be entitled to receive for his services as a director each annual fee (not exceeding in any year £2,000) as to a director's main decision and such further fee as the company in general meeting may fix from time to time. All such remuneration shall accrue from day to day but shall be payable quarterly in arrears. The directors shall also be entitled to be paid by the company all such reasonable travelling (including hotel and incidental) expenses as they may incur in or about the business of the company.

Straits Steamship

Although group sales (in Singapore currency) of Straits Steamship Company increased from \$38m. to \$40.83m. higher costs led to a marginal decline in operating profit from \$6.36m. to \$5.21m. in the first half of 1976.

Due to the problems of the oil industry and the delayed effect of the general recession on service industries, total earnings for the year of the associates are expected to be lower than in 1975. It is nevertheless anticipated that pre-tax profit for 1976 will be similar to that of 1975, says the chairman, M. R. C. Whitburn.

The company is a subsidiary of Ocean Transport and Trading.

DANAE TRUST

Holders of warrant certificates carrying subscription rights for units of Danae Investment Trust will be able to exercise right of subscription, either in whole or in part in respect of any such

ISSUE NEWS

Rights from CCP and Charterhall

CCP North Sea Associates and Charterhall Finance Holdings have announced rights issues to raise £13.8m. and £11m. respectively.

The basis of CCP's rights issue is one for every nine held at the close of business on August 15, 1976. This involves the issue of 83,333 shares. The proceeds will enable the company to provide its share of the funds required to continue the exploration of licence P241 covering North Sea Blocks 21/7 and 21/8. These extend over some 100,000 acres. Block 21/1 contains the Buchan Field discovery.

Charterhall Finance Holdings is proposing a rights issue on the basis of one-for-four at 20p per share. This involves the issue of 5,559,088 Ordinary shares.

The purpose of the rights issue is to provide additional working capital particularly in relation to its North Sea interests. Charterhall has a 57.2 per cent. shareholding in CCP through which it is interested in 7.84 per cent. of Blocks 21/7 and 21/8 in the North Sea.

Charterhall Finance has agreed to subscribe for its full entitlement of the CCP rights issue at a cost of £218,436. In addition Charterhall has agreed to act as joint underwriter to CCP's issue, under which terms it could be required to make a further subscription of up to £331,405. Charterhall's issue has been underwritten by Joseph Sebag and Company.

See Lex

Unsecured Loan Stock Atlantic Assets Trust stock will bear interest, cent. and be convertible. Ordinary shares at the four for every £1 of March 31 or September 30, 1980.

It has been agreed with Assets that this stock in substitution for all debentures by the company in respect of Trust Holdings.

WHITECROFT TAKEN UP

Whitecroft's rights issue, £1.4m. on the four-for at 70p, each taken up as to over 90 per cent. The balance has been placed in a new share will be dis-entitled shareholders no payment will be made than £1.

ISLINGTON IS OVER-SUBSCRIBED

The issue by Islington of £15m. of 15 redeemable stock 1982 cent. was oversubscribed. Applications are allocated as underwritten by Joseph Sebag and Company.

See Lex

fallen into decline with the pre-tax level by 24 per cent. Turn 11 per cent. during but this must concern off in volume of bus is little sign of improving in the months and although income is sure to see growth a fairly slight turn in the annual position is still apparent - a year ago the pre-borrowings and cash £304,000—but the share on a yield of 6.1 per cent. still be vulnerable.

Profit seen by John Ja

BECAUSE of lower and interest income, 1976 profits of John Ja are not as high as last year's. The outcome is a record £1.6m.

The increase in investment income of six months—figures were announced earlier—results from the proceeds of ship sale.

This source of income has been reduced for the 3rd year as some £20,000 liability was paid during July, they explain.

However, the dividend of 2.51535p gross. The company's time to trade profit current charter of wood terminals for the year.

Turnover 1,170,000 1,170,000
Trading profits 1,170,000 1,170,000
Non-trading profits 1,170,000 1,170,000
Total earnings 2,340,000 2,340,000
Minority income 1,170,000 1,170,000
Profit before tax 3,510,000 3,510,000
Tax 1,170,000 1,170,000
Net profit 2,340,000 2,340,000
Extraordinary credits 1,170,000 1,170,000
Dividends 1,170,000 1,170,000
Retained 1,170,000 1,170,000

• **comment**
After picking up briefly in 1975 Johnson's profits have

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CONDENSED BALANCE SHEET

as at 31st December, 1975 (converted into sterling as at 31.12.75)

ASSETS	1976	1975
Availabilities in Greece and abroad	433,514,728	494,87
Loans and advances	1,458,708,606	1,089,78
Investments	219,905,649	200,95
Other accounts	210,215,740	119,58
Guarantors and other contra accounts	620,143,579	503,07
	3,142,488,302	2,408,26

LIABILITIES		
Share Capital and Reserves	121,441,470	118,55
Provision for depreciation of Assets ..	59,329,221	58,14
Deposits	2,096,160,835	1,571,76
Other accounts	245,413,198	161,79
Guarantees, etc.	620,143,578	503,07



Distillers

acts from the statement by the Chairman, Mr. J. R. Cater, circulated with the Report and Accounts for the year ended 31st March, 1976

GENERAL OBSERVATIONS ON RESULTS

Trading profit for the year ended 31st March 1976 stood at £101.8 million, an increase of £22.0 million over the previous year. This improvement was due in the main to increased selling prices, which were inflated to an extent by orders received in the final quarter of the year. Export shipments in the final quarter of the year were inflated to an extent by orders received in the final quarter of the year. Export shipments in the final quarter of the year were inflated to an extent by orders received in the final quarter of the year.

Trading profits of the Food Group and Carbon Company showed a satisfactory increase. The Peerless Refining Company continued to perform well. The trading profit noted above, after account taken of substantial exchange adjustments, was £101.8 million, an increase of £22.0 million over the previous year. This improvement was due in the main to increased selling prices, which were inflated to an extent by orders received in the final quarter of the year.

Surplus attributable to the Company was £42.3 million. Your directors now recommend a final dividend of 2.0125p per share, which, when added to the interim dividend of 1.25p per share, makes a total dividend of 3.2625p per share. This is an increase of 0.0125p per share on the previous year's dividend of 3.25p per share.

The increase in the value of stocks held at the year end was £37 million. A report on this figure is attributable to the increase in the value of stocks held at the year end was £37 million. A report on this figure is attributable to the increase in the value of stocks held at the year end was £37 million.

TERM LOANS

Since the laying down of whisky stocks the company has raised in April 1976 \$25 million on an interest-free basis from institutional investors in the States by a private placement of 10% Promissory Notes. For the same purpose agreement was reached in 1975 with Finance Corporation for Industry for an interest-free loan of \$25 million. Of this sum \$15 million bears interest at 15%. The remaining part of the loan, which bears interest at a fluctuating rate, has not been drawn down and will lapse on 1st October 1976.

WHISKY

Due to reduced production of new whisky to a level which took account of the relationship between sales, current production, existing stocks and cost of financing their replacement. This policy, followed during the current year and is under review. Our present levels of production provide a cover to ensure full and free supply of all our

blending and bottling plants were free from the shortages, transport difficulties, and industrial experienced in the previous year. All production was fulfilled.

Capital investment programme was restricted to projects.

Enlargements of our maltings at Hillside and Ords were completed and work on the expansion at the Distillery continued. The extension to our blending and bottling plant at Leven was completed. The

SUMMARY OF RESULTS for year ended 31st March

	1976 £'000	1975 £'000
Turnover	702,884	617,111
Group profit before tax	93,661	73,776
Profit after tax and minority interests	43,538	34,616
Extraordinary items	1,202	3,662
Surplus after extraordinary items	42,336	30,954
Dividends	21,256	19,542
Earnings per share	11.89p	9.53p
Dividends per share	5.85p	5.38p

construction of the new blending and bottling plant to meet the additional needs of John Walker & Sons, is currently on schedule.

HOME SALES

In the home market, the year opened inauspiciously when the Chancellor raised the rate of duty by more than 7.00 per cent in April 1975. This was two and a half times greater than any previous increase. It was a savage blow to an industry which was already heavily burdened by a high rate of duty, and which has to finance that duty during the traditional period of trade deficit.

At certain times of the year the industry is required to find from its financial resources something in the order of £100 million to cover immediate payment of duty on its sales to the home market. Very strong representations have been made to the Government for some relief from this burden, but this continues to be denied on the grounds that the Exchequer cannot afford to extend any credit for such duty payments. This argument has no basis in equity and I take the opportunity to stress yet again that our industry is unfairly treated as compared with some other alcoholic beverage industries which are fortunate to enjoy a period of credit in the financing of their comparatively lower rates of duty. The Scotch Whisky Association's deputation to the Chancellor again made the strongest representations on this issue in February of this year but their pleadings met with no success. Indeed the duty was further increased in the 1976 Budget to add to the burdens upon the industry.

Continuing advances in manufacturing and other costs throughout 1975 necessitated increases in home trade prices. Prices were raised on three occasions and opportunities afforded by amendments to the Price Code, particularly the introduction of investment relief, were taken to achieve a welcome improvement in profit margins. However higher prices together with the additional duty led to consumer resistance which inevitably brought about the fall in the volume of industry sales. In 1975 there was a decrease of 7.3%.

On each of the three occasions prices of competing brands were held for at least one month. Thus our brands appeared to be over-priced particularly in the important pre-Christmas period. Our total sales accordingly fell by a greater percentage than that reported for the industry as a whole although they generated substantially greater profits as compared with the previous year. Haig and Walker continued to be amongst the market leaders and de luxe sales remained encouraging.

EXPORT SALES

Largely because of a weakness in the American economy, industry shipments for the year to 31st March 1976, excluding shipments of bulk malt whisky, showed only a marginal increase of 0.4%. However, our brands performed better than did the industry as a whole and achieved an increase of 3.4% in the year.

The United States, by far the largest market for Scotch whisky in the world, imported 9.3% less Scotch whisky, partly because of the recession and the associated high levels of unemployment, and partly as a result of a de-stocking policy adopted by wholesalers. Four brands bottled in Scotland continued to dominate the market, and our representatives in this group, Dewar's White Label and Johnnie Walker Red Label, performed well. In the de luxe market, Johnnie Walker Black Label and Haig Pinch made some encouraging progress. Brands shipped in bulk and bottled there, because of discriminatory import taxes levied on those bottled in Scotland, sold strongly, but although sales of Vat 69 Gold and Usher's Green Stripe increased considerably, some others of our bulk brands lost market share in the face of

intense competition following an increase in our price for bulk blends early in the year.

Sales of our brands in the United States generally improved slightly in the final quarter to 31st March, and it is anticipated that some recovery in shipments will follow an improvement in the economy of that market.

During the year, the export price of our brands was kept under regular review. As regards the United States, the invoicing of bottled goods has for some years been effected in dollars and these prices were not changed. Due to the increasing manufacturing and other costs mentioned earlier, and also because the weakening value of the pound effectively reduced the cost to distributors in other world markets, increases of 7% in August 1975 and 12% in January 1976 were introduced. We believe our current prices for export represent very good value. However, taxation on Scotch whisky abroad, as in this country, continues to rise from an already high base in many markets and our brands, exported at reasonable prices, become expensive to the consumer.

In export markets other than the United States, the Company's brands enjoyed a successful year and increased their sales volume by 11.8% in spite of strong competition, tax increases and continuing discrimination by some overseas governments in favour of domestic products.

Venezuela continued to be an excellent and profitable market for the Group. The percentage of de luxe whisky consumed there remained extremely high and Buchanan's De Luxe was the most popular brand.

In Australia, the Group maintained a very strong position particularly through Johnnie Walker. Large quantities of cheap Scotch whisky have entered the market and are creating a new sector. A higher rate of duty imposed in 1975 caused a sharp rise in consumer prices, but the market remained reasonably healthy.

The demand from the South African market was strong and White Horse consolidated its leadership.

In Japan, our brands, particularly Johnnie Walker, White Horse and Old Parr, retained a very strong position and we anticipate growing sales in coming years.

In Europe our brands, all strongly represented, continued generally to sell well, led by Johnnie Walker as the dominant brand in the French and other markets.

Import restrictions continued to hinder trade in many markets. Generally speaking, the performance of our brands remained remarkably strong and there is every reason to believe that the Group will continue to make a not insubstantial contribution to the balance of payments.

GIN

I referred earlier to the heavy duty increase imposed in the Budget of April 1975, and to the need to raise Scotch whisky prices during the year to maintain an acceptable level of profitability in the face of rising costs. Gin prices were also increased on three occasions and under these circumstances sales of our brands in the home market were not unsatisfactory, showing only a small decline over the previous year. Sales of Gordon's again exceeded 2 million cases and Booth's High & Dry made substantial progress.

Shipments of Group brands exceeded those of the previous year. Sales of Gordon's in the EEC and in certain African markets were particularly encouraging. Tanqueray maintained its position in the imported gin market in the USA, and increased its market share in Canada.

In the United States and Canada, where Gordon's and Booth's High & Dry are locally produced, both brands recorded gains.

VODKA

Cossack Vodka again showed a useful gain in sales in the United Kingdom and Gordon's Vodka, produced and sold in the USA, continued to advance.

COGNAC/HINE

Hine had another rather difficult year. Greatly increased costs resulting in a steep rise in prices have led to a depressed state of the cognac market in the UK and elsewhere. However, Hine cognacs enjoy a deserved reputation for the highest quality and there are grounds for believing that the company will participate fully in the general recovery in cognac sales of which there are now signs in many markets.

AUSTRALIA

Although the United Distillers Pty. again experienced a very difficult year the loss on trading was substantially reduced. Steps have been taken to attempt to combat the problems created by the general Australian economic position and by the sharp decline in sales of Australian whisky in the face of severe competition from cheaper imported spirits.

The results of Tolley, Scott & Tolley showed an improvement despite the continued depression of Australian brandy sales.

FOOD GROUP

The Yeast and Food Division maintained its progress with higher sales and an improvement in profitability.

The results of The Peerless Refining Company were much affected by a fall in raw material prices. However, the year ended with a modest increase in both sales and profitability.

CARBON DIOXIDE

In our carbon dioxide operations, margins made a good recovery. Sales volume also showed a modest increase, with the result that CO₂ profits improved significantly.

Sales of engineering equipment showed an encouraging upturn.

UNITED GLASS

Demand for United Glass products fell dramatically in the early months of 1976, in line with recessionary trends in the packaging industry and in the economy generally. Although there was some recovery in later months, sales volume for the year was lower.

Wherever the market conditions allowed, the divisions sought to recoup constantly escalating costs by price increases. The resultant rise in sales revenue, together with productivity improvements and cost reductions, enabled the company to maintain the level of its pre-tax profit.

PERSONNEL

Due mainly to minor reorganisation some redundancies were inevitable. These were small in relation to the Company's total UK work force of more than nineteen thousand. Full consultation took place with the unions and those affected received suitable compensation.

Apart from a few local incidents, your Company has had a trouble-free year in the field of industrial relations, and tribute is paid by your Board to the co-operation and understanding displayed by employees, and by local management and unions.

For many of our employees, the current position as regards pay is an extremely difficult one. Government policies seriously erode differentials, especially when applied to junior, middle and senior managers, and your Board greatly regrets its inability to reward adequately the many deserving employees who have worked unselfishly, unstintingly and loyally in the Company's interests.

The Board's sincere appreciation is extended to all employees.

FUTURE PROSPECTS

My earlier comments on the signs of recovery in the economy in the United States have a considerable bearing on our future prospects. We believe that if the recovery continues as forecast, there will be some improvement in total industry and in Group shipments to this important market. The demand for our brands in other world markets remains encouraging in spite of the intensely competitive situation currently prevailing. We have therefore reasonable grounds for viewing the prospects for the present year with some confidence.

The Ninety-ninth Annual General Meeting of The Distillers Company Limited will be held at the North British Hotel, Edinburgh, on Thursday, the 16th day of September, 1976, at 12.15 p.m.

The
Distillers (DCL)
Company Limited

London Brick ahead to £5.9m. in first half

Reorganization date usually last day for dealing free of many duty and Macroeconomic
 status to public. It requires based on prospective estimate. ♦ Dividend rate and Perce
 payable on plan. ♦ Cover based on dividend divided into full capital ♦ Perce
 unless otherwise indicated. ♦ Personal dividend: cover based on previous year's
 earnings. ♦ Payers based on prospective or other official estimate for 1964
 7. Varnish assumed. ♦ Cover grows for 1964-1965. ♦ Issued by tender.
 ♦ Offered to holders of restricted stock. ♦ Restricted dividends ♦ Issued by tender.
 ♦ Offered to holders of Ordinary shares as a "right". ♦ 250 S. Ad. gents. ♦ Rights
 by way of capitalization. ♦ Tender allotment price. ♦ Reintroduced. ♦ Issued in
 connection with reorganization, merger or take-over. ♦ Reintroduction. ♦ Issued in
 connection with reorganization, merger or take-over. ♦ Provisional
 paid-up allotment letters. ♦ With warrants. ♦ After suspension.

Avaña up in current year

Catalin midterm downturn

Mainly reflecting a lack of growth in volume and large increases in costs not immediately recoverable, first half 1976 pre-tax profit of Catalin decreased from £29,000 to £2,634,000. Improved from £2,472,000 to £2,634,000.

However, June was a better month and the improvement continued into July, the directors stated.

The remainder of the year looks more encouraging, but the company will not recover sufficiently to match in any way the record figures of 1974 and 1973—£371,648 and £442,774 respectively.

After tax and minorities the first half net balance was down from £76,000 to £35,000.

The company manufactures industrial resins and resin treated products.

£15.33m. to £18.02m. Adoption of inflation accounting would have reduced the profit by £39,000.

Sir Julian pointed out that the 1976 pre-tax profit in sales was derived from increased volume sales and not higher prices. Of the total sales 35 per cent came from new lines. The company is a large supplier to Marks & Spencer.

The unappropriated profit carried forward is almost £1m. and the retained profits and depreciation provided 50.2m. in the year. This, with deferred tax has enabled the company to finance a capital expenditure programme of £9.8m. and still improve liquid resources. Significant financial support is available and no favourable investment opportunity has arisen.

John G. Jones

Peak £0.7m. for Victor Products

MANUFACTURERS of miniprint and lighting equipment, Victor Products (Walsland) lifted pre-tax profits from £53,900 to £59,400 for the year to April 30, 1970, after £335,448, against £269,040, for the first half.

Turnover for the year expanded from £2,866,000 to £3,075,000, with operating profit of £236,600, and stated earnings were up from £82,225 to £73,995 per 25p share.

The final dividend is 1.667p net of tax, the total from 1.252p to 2.11p.

London Brick Buildings—previously Banbury Buildings Holdings—continue to be affected by the low level of activity in the building industry, but other divisions are working to capacity. To help further expansion, an examination of overseas markets is being carried out.

It is granted an order has been obtained for prefabricated houses in Saudi Arabia and a joint venture has been formed with a Japanese building plant which will produce buildings in

Investment Company pays more

[illegible]

Estates House interim up

TOTAL income Estates House Investment Trust for the six months ended June 30, 1976, amounted to £1.63m, and net earnings for the Ordinary Members was £553,112.

No half year comparisons are available since the company only started operating from July last year. Including results of predecessor companies show total income for the six months ended June 30, 1975 of £2.13m.

The reduction of t payn's capital by the sale of the shares held by the company in the Investment Limited and its subsidia confirmed by the High July 5 and the amalgamated companies with those of payn and its wholly ow sidiary, Estates House 1976, £1.63m.

The net interim dividend is 3p per 25p share against 2p previously. The directors say that to minimise unrelieved ACT, it will be necessary this year to pay a substantial proportion of the total dividend before December 31.

Therefore it is intended to pay a second interim dividend in December which will constitute the greater part of the dividend in the current year. A net final dividend of 2.5p will also be paid. Earnings per share are 4p compared with 6.11p for last year.

Estimated net assets per share, after cancellation of the 3.66m. shares held by Sterling and Dollar Areas Investment Trust and its subsidiaries, are 50p and 65p, after providing for the interim dividend and after deducting prior charges at the end of the year.

**VIRKING RESO
INTERNATIC N.V.**

N.A.V. at d.
\$1829 (D.Fls.)

INNO, Meining, Heining & Co.
Horngracht 214, Assen

Investment companies within the group, the full amount of the investment currency premium amounting to £432m. (\$3,928m. at December 31, 1973) has been included.

Since May the group has disposed of its entire holdings in August Milling (Holdings); Bristol Stadium, The English Association


The information in the columns below is supplied by the companies named, which are members of The Association of Investment Trust Companies. The figures, which are in pence except where otherwise stated, are unaudited.

Total Assets less current liabilities (1) £million	Company (2)	Shares or Stock (3)	Date of Valuation (4)	Annual Dividend (5)	Net Asset Value after deducting prior charges at nominal value (6)	Net Asset Value at market value (7)	Investment Premium (see note g) (8)	Total Assets less current liabilities (1) £million	Company (2)	Shares or Stock (3)	Date of Valuation (4)	Annual Dividend (5)	Net Asset Value after deducting prior charges at nominal value (6)	Net Asset Value at market value (7)	Investment Premium (see note g) (8)
Pence except where £ stated (see note d)															
123.7	VALUATION MONTHLY							108.5	Henderson Administration Ltd.	Ord. & "B" Ord. 25p	30/7/76	1.05	288.8	108.6	
7.5	Alliance Trust	Ord. Stock 25p	30/7/76	3.55	226.6	237.0	31.3	18.1	Urban Investment Trust	Ordinary 25p	30/7/76	2.1	82.4	84.4	
7.6	Capital & National Trust	Ordinary 25p	30/7/76	2.75	7.3	7.3	1.1	4.7	Electric & General Investment	Ordinary 25p	30/7/76	1.0	87.8	87.8	
7.6	Claverhouse Investment Trust	Ordinary 25p	30/7/76	2.8	75.5	75.5	1.2	4.6	Greentree Investment	Ordinary 25p	30/7/76	1.05	81.3	81.3	
7.7	Crossfields Trust	Ordinary 25p	30/7/76	3.8	57.3	57.3	1.3	3.1	Mendip Investment	Ordinary 25p	30/7/76	1.05	86.7	86.7	
12.8	Direct Spanish Telegraph	Ordinary 25p	30/7/76	1.25	63.6	65.3	4.0	21.0	Lowland Investment	Ordinary 25p	30/7/76	1.3	26.1	26.8	
12.8	Dundee & London Investment Trust	Deferred 51	30/7/76	2.85	219.2	224.4	13.9	32.7	English National Investment Co.	Preferred Ord. 25p	30/7/76	1.1	37.3	44.7	
36.1	Edinburgh Investment Trust	Ordinary 25p	30/7/76	2.3	93.0	96.4	7.0	11.5	Do.	Deferred Ord. 25p	30/7/76	3.75	100.3	106.2	
9.7	First Scottish American Trust	Ord. Stock 25p	30/7/76	1.38	78.0	84.6	7.8	38.8	Philip Hill (Management) Ltd.	Ordinary 25p	31/7/76	3.85	137.5	148.1	
54.1	Grange Trust	Ordinary 25p	30/7/76	3.28	106.6	106.5	7.5	27.5	City & International Trust	Ordinary 25p	31/7/76	2.3	65.2	68.6	
50.5	Great Northern Investment Trust	Ordinary 25p	30/7/76	1.96	82.8	88.0	3.3	28.8	General & Commercial Invest. Trst.	Ordinary 25p	31/7/76	5.75	172.4	182.4	
74.4	Guardian Investment Trust	Ordinary 25p	30/7/76	4.94	232.7	232.5	34.8	12.9	General Cons. Investment Trust	Ordinary 25p	31/7/76	3.75	65.5	68.6	
17.5	Investment Trust Corporation	Ordinary 25p	30/7/76	1.88	68.2	68.2	3.3	30.8	Philip Hill Investment Trust	Ordinary 25p	31/7/76	6.45	233.8	240.3	
23.4	Investors Capital Trust	Ordinary 25p	31/7/76	0.8	151.3	151.2	16.4	32.9	Neargate Investment Co.	Ordinary 25p	31/7/76	1.4	65.2	89.4	
37.9	Jardine Japan Investment Trust	Ordinary 25p	30/7/76	2.7	123.0	123.0	28.9	36.8	Nineteen Twenty-Eight Inv. Trust	Ordinary 25p	31/7/76	0.75	97.8	101.2	
19.7	London & Holyrood Trust	Ordinary 25p	30/7/76	4.0	198.7	201.5	17.2	28.8	Atlantic Assets Trust	Ordinary 25p	30/7/76	0.75	79.8	80.7	
38.2	London & Montrose Investment Trust	Ordinary 25p	30/7/76	2.8	117.1	120.1	2.8	11.5	Viking Resources Trust	Ordinary 25p	30/7/76	0.75	90.7	90.7	
492.8	London & Provincial Trust	Ordinary 25p	30/7/76	0.8	258.20	258.10	23.40	12.9	Leopold Joseph & Sons Ltd.	Ordinary 50p	30/7/76	1.0	448.9	553.7	
	Mercantile Investment Trust	Ord. Deb. 1963	2/8/76	2.3	79.9	104.9	13.1	36.8	Anglo-Wealth Investment Trust	Ordinary 25p	30/7/76	1.15	56.7	82.9	
42.7	Northern American Trust	Capital Shares	2/8/76	1.03	103.4	103.4	11.0	4.1	Thames Investment Trust	Ordinary 50p	30/7/76	2.4	64.3	98.0	
4.9	Save & Prosper Linked Invest. Trust	Ordinary 25p	31/7/76	1.59	98.1	103.4	18.4	37.2	Keyser Ullmann Ltd.	Ordinary 25p	30/7/76	3.625	65.9	60.4	
48.4	Scottish Northern Investment Trust	Ordinary 25p	31/7/76	4.3	98.0	102.9	27.1	27.5	Thornycroft Investment Trust	Ordinary 25p	30/7/76	1.0	143.1	149.8	
88.8	Scottish United Investors	Ordinary Stock 25p	30/7/76	4.3	109.5	109.5	26.2	48.5	Lazard Bros. & Co. Ltd.	Ord. Stock 25p	31/7/76	2.13	101.9	104.9	
40.7	Second Alliance Trust	Ordinary 25p	30/7/76	4.1	183.6	185.2	15.1		Embankment Trust	Ord. Stock 25p	31/7/76	2.0	94.6	98.4	
21.7	Shires Investment Co.	Ordinary 25p	30/7/76	*1.73	197.1	198.3	33.0	45.9	Raeburn Investment Trust	Ord. Stock 25p	31/7/76	2.13	101.9	104.9	
34.4	Sterling Trust	Ord. & "B" Ord. 25p	30/7/76	6.55	265.6	265.5		9.6	Romney Trust	Ord. Stock 25p	31/7/76	2.7	122.4	127.0	
21.6	Technology Investment Trust	Ord. & "B" Ord. 25p	30/7/76	1.4	128.2	130.9	17.5	36.8	Canadian & Foreign Invest. Trust	Ordinary 25p	31/7/76	3.3	125.4	132.0	
39.1	United British Securities	Ordinary 25p	31/7/76	2.8/76	1.925	105.8	114.9	20.8	St. Andrew Trust	Ordinary 25p	31/7/76	3.0	71.7	74.1	
104.0	Scottish Mortgage & Trust	Ordinary 25p	31/7/76	10.3	840.9	845.4	154.8	37.2	Scottish Eastern Investment Trust	Ordinary 25p	31/7/76	2.95	143.1	148.1	
80.2	Edinburgh & Dundee Investment	Ordinary 25p	31/7/76	1.05	56.7	58.0	7.4	48.5	Scottish Ontario Investment Co.	Ordinary 25p	31/7/76	4.8	178.4	202.1	
50.7	Monks Investment Trust	Ordinary 25p	31/7/76	3.5	119.8	124.1	32.7	2.5	Western Canada Investment Co.	Ordinary 25p	31/7/76	1.3	68.5	607.3	
13.3	Winterbottom Trust	Ordinary 25p	31/7/76	0.4	11.8	12.2	17.8	37.2	Murray Johnstone Ltd.	Ord. & "B" Ord. 25p	31/7/76	1.4	80.5	84.5	
31.8	Bering Bros. & Co. Ltd.	Ordinary 25p	2/8/76	0.15	*67.3	*37.3	*7.3	53.9	Caledonian Trust	Ord. & "B" Ord. 25p	31/7/76	1.13	78.7	80.1	
22.4	Outwich Investment Trust	Ordinary 25p	2/8/76	0.1	*67.3	*37.3	*7.3	18.4	Clydesdale Investment Trust	Ord. & "B" Ord. 25p	31/7/76	*1.3	*94.5	*100.4	
5.2	Tribune Investment Trust	Ordinary 50p	2/8/76	0.4	*71.8	*71.8	*9.5	18.4	Glenrath Investment Trust	Ord. & "B" Ord. 25p	31/7/76	1.13	78.7	80.1	
35.9	Cripps Warburg Ltd.	Ordinary 25p	31/7/76	0.4	143.2	143.2	17.8	37.2	Glenrath Investment Trust	Ord. & "B" Ord. 25p	31/7/76	1.13	78.7	80.1	
16.3	Sizewell European Investment Trst.	Ordinary 10p	31/7/76	0.15	*67.3	*37.3	*7.3	37.2	Scottish & Continental Investment	Ordinary 25p	31/7/76	1.13	78.7	80.1	
18.3	Atlanta, Baltimore & Chicago	Ordinary 10p	31/7/76	0.15	*67.3	*37.3	*7.3	37.2	Scottish Western Investment	Ord. & "B" Ord. 25p	31/7/76	1.13	78.7	80.1	
18.3	West Coast & Texas Regional	Ordinary 10p	31/7/76	0.15	*67.3	*37.3	*7.3	37.2	Second Great Northern Inv. Trust	Ord. & "B" Ord. 25p	31/7/76	1.13	78.7	80.1	
18.3	Edinburgh Fund Managers Ltd.	Ord. & "B" Ord. 25p	31/7/76	0.4	143.2	143.2	17.8	37.2	Naydala Ltd.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	American Trust	Ord. & "B" Ord. 25p	31/7/76	0.4	143.2	143.2	17.8	37.2	Rimside Investment Co.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Crescent Japan Investment Trust	Ordinary 30p	31/7/76	0.4	143.2	143.2	17.8	37.2	Schroder Wagg Group	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Electra House Group	Ordinary 30p	31/7/76	0.4	143.2	143.2	17.8	37.2	Asdown Investment Trust	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Cable Trust	Ordinary 25p	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.7	80.1	81.0	
18.3	Do.	Do.	30/7/76	4.2	182.5	183.1	8.3	37.2	Do.	Ordinary 51	30/7/76	0.			

- Applies to Ordinary "A" Ordinary only. ‡ Includes special dividend, or Adjusted for scrip issue, or Adjusted for rights issue. † Company will announce year-end or interim results shortly. x, see note (b) below. □ Valuation Two-monthly. ‡ Not directly comparable with previous published figure. † Dependent on "B" share conversions. ‡ Change in the prior charges since the previous published figure.

(g) Col. 8 The amount per share/stock unit represented by 100 per cent. of the investment currency premium applied in calculating the variation in 6 and 7.

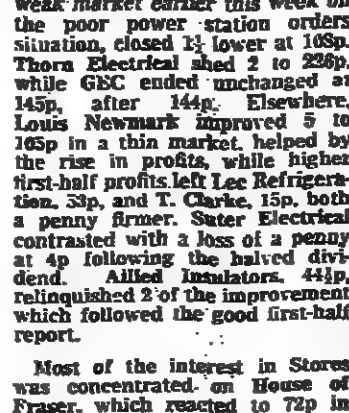
(h) Col. 6-8 Convertible loan/preference stocks and warrants or subscription rights are treated as equity.

 A booklet "Investing in Investment Trust Companies" is available from:
The Association of Investment Trust Companies, 1000 Avenue of the Americas, New York, N.Y. 10020

Stock markets still suffering from lack of turnover

Share index down 2.3 at 373.5—modest rally in gold shares

The general tendency in Oils was also dull with Shell 4 cheaper at 41sp and British Petroleum 4 1/2p. The 2 to 11p and CCF North Sea Associates were marginally lower to £144 on the rights issued, announced in the early 1980s. Stocks, were reactionary with Associated Australian Resources 10 down at 12sp and Woodside 8 down at 11sp. Burnham 9 off at 11sp. The softness in the market was evident during another idle trading session. Land Securities shed 1 to 10sp and English Property 1 to 5sp, while Town and City, was a little better. The results expected next Monday, closed fractionally cheaper at a low for the year of 11p. Against the easier trend in



Burmah came under a cloud following U.S. selling set off by a Press article there suggesting a possible Securities Exchange Commission investigation into the falling to 74p, the price recovered to close a net 3 down at 85p. The general tendency in Oils was to dull with the exception of lower at 57 1/2p. British Petroleum lower at 57 1/2p. Ultramar shipped 2 to 11 1/2p and CCP North Sea Associates were marginally increased at 11 1/2p. The oil stocks, too, were reactionary with Associated Australian Resources 10 down at 12 1/2p and Woodside 10 down at 12 1/2p.

Property

During another idle trading session, Land Securities shed 1 to 16 1/2p and English Property 1 to 15 1/2p, while Overseas Property 1 to 15 1/2p, which was expected next Monday, closed fractionally cheaper at a low for the year of 11p. Against the easier trend in

[illegible]

held on to a penny improvement following the interim results, while Jardine Securities hardened 2 to 11sp. Dealers reported a fair amount of inquiry in Bushell Trust, but the tender's fall of 1sp. that little actual business transaction and the shares closed unchanged at the overnight level of 13p.

Cornfields touched a 1976 low of 117 before closing a penny off at 118p in Textiles. Shield Bros. ended a similar amount lower at 9p and Mackinnon of Scotland lost 1/2 to 131p.

South African Industrials edged once again in the active stocks list, BA's Deferred closed the day unaltered at the overnight level of 218p, after 215p.

South African Industrials held up fairly well despite reports of more civil disturbances.

Plantations had an earlier bias after a quiet trade. Central Province Ceylon Tea gave up 1/2 to 241p, while the 1976 program in the south has been suspended.

Financials were mixed the rally in Golds and the weak pound. Anglo-Siam rose to £12 1/2, but Anglo-Vie similar amount to £2 London-based issues drifted in line with U.S. trials. WZB being 5 off. Diamonds, however, improved 4 to 23sp.

Platinum moved in sympathy with Gold. Bate rose 1/2 to 1000p, mixed Coppers, Messina higher at 195p. Tins quiet.

The rise in the peso abled Australians to hold earlier weakness in home markets. 30IN rose 5 to 264p, while

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

Monday, 1946, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862

ACTIVE STOCKS							
Stock	Denomina- tion	No. of marks price (p)	Closing price (p)	Change on day	1978 high	1978 low	
EMI	50p	17	215	-10	277	212	
BATs Deftd.	25p	15	216	-	225	205	
ICI	51	13	248	-1	402	322	
Peasey Prop.	25p	9	57	-1	54	24	
Cons. Gold Fields	25p	8	132	+2	220	123	
Marks & Spencer	25p	8	98	-	108	88	
BP	£1	7	578	-5	585	575	
GEC	25p	7	145	-	165	142	
Shell Transport...	25p	4	182	-	182	178	
Cable Ties	£1	7	230	+2	368	212	
Boots	25p	6	117	-	148	111	
Charterhall Finco.	3p	6	22	+1	29	20	
Distillers	50p	6	125	-1	168	125	
RTN	£1	6	306	-3	326	286	
GKN	25p	6	153	-3	209	150	

The closing price of active stocks is based on the number of bargains

NEW HIGHS AND LOWS FOR 1976

The following securities quoted in the Wall Street Journal, 12/1/75, are classified over Highs and Lows for 1976.

NEW HIGHS (6)

CHEMICALS (1)
 Alkermes & Natter
ENGINEERING (1)
 Aluminum Corp.
NEWSPAPERS (1)
 Morgan Guaranty
MINES (3)
 Marathon Assets
 Occidental
NEW LOWS (40)

AMERICANS (1)

ASA
 Castrol

CHEMICALS (1)

BANKS (7)
 Bank of Scotland
 Bank of Montreal
 Bank of New York
 Bank of Tokyo
 Bank of America
 Bank of England
 Bank of France

BASE LEAD RATES

Allied Irish Bank
 American Express Co.
 Anglo-Portuguese Bank
 Henry Ambacher
 Banco de Bilbao
 Banco de Jerez
 Bank of Cyprus
 Bank of N.S.W.
 Banque du Rhone
 Barclays Bank
 Barnett Christie Ltd.
 Bremer Holdings
 Brix Bank of Mid.

Option Report—3-month Call Rates

OPTION DEALING DATES					Firm
First Deal-	Last Deal-	Last Decla-	For Settle-		
ing	ing	ment	ing		
Aug. 17	Aug. 21	Nov. 11	Nov. 23	Pressac, Barclays Bank, Cavenham Warrants, J. Warren, Paterson Zeehon's "A," Tesco, Slater Walker, Charter Consolidated, Chamberlain Finance and Hunting Associated, while "doubles" were arranged in National Westminster Bank Warrants, Allied Plant, Slater Walker and J.	
Sep. 1	Sep. 13	Nov. 25	Dec. 5		
Sep. 14	Sep. 27	Dec. 9	Dec. 21		
"Calls" were dealt in Consolidated Gold Fields, National Westminster Bank Warrants, ICL					

Radio Satellite	STONES (3)	Canada Permanent A
Reading (J) A	March the Neologist	Capitol C & C Fin. D
Reynolds	ELECTRICALS (8)	Cayzer, Bowater Co. I
Decca	EMI A	Cedar Holdings
Perkins	Exe Conv. 1981	Charterhouse Japhet
Pharm Kings	GINHEUNG (3)	C. E. Coates
Robinson	Willcox, Western	Consolidated Credit
Daniel Scaev	PODS (1)	Co-operative Bank ..
Hydrogen	INDUSTRIALS (8)	Corinthian Securities
Sony & Udon	MIGA, Wade Potts	Credit Lyonnais
Telecom	W. J. W. W. W. W. W.	C. R. Dawes
TVs (T)	INSURANCE (7)	Duncan Lawrie
U.K. S. S. Corp.	FAPER (2)	English Transcont...
DRG	PROPERTY (2)	
Texas & City	McGraw-Hill	

[illegible][illegible]

MONEY MARKET

Adequate credit supply

Bank of England Minimum Lending Rate 1½ per cent. (since May 21, 1976)

Day-to-day credit appeared in adequate amounts in the London money market yesterday, and the authorities were not required to give any assistance. Conditions remained rather quiet. The market was helped by a small decrease in the note circulation and this was partly offset by a very small net take-up of Treasury bills together with the settlement of gilt edged sales. Discount houses paid 104-104 1/2 per cent for secured call loans in the early part, but rates drifted during the day to close anywhere between 7 per cent and 9 per cent.

In the interbank market over-

night loans opened at 10-10 1/2 per cent. and eased to 10-10 1/4 per cent. where most of the day's business was done. Rates tended to drift down to 8 per cent. in the afternoon before closing at around 9 per cent. Short-term interest rates were reported little changed.

Rates in the table below are nominal in some cases.

Portland Guaranty Co.	.....
P. S. Refson & Co.	.....
Rosminster Accept	.....
Schlesinger Limited	.....
E. S. Schwab	.....
Security Trust Co. Ltd	.....
Shenley Trust	.....
Standard Chartered	.....
Trade Development B	.....
Twentieth Century B	.....
United Bank of Kuwait	.....
Whiteway Ltd/Lad	.....
Williams & Glyn's	.....
Yorkshire Bank	.....
Members of the Acceptance Committee	.....
1-day deposits 8 1/2% - 1 month	.....
1-day deposits on same of 11	.....

Aug. 19 1970	Storcing Certificates of deposits	Interbank	1-year Authority deposits	Local Auth. negotiable deposits	Finance House deposits	Company deposits
Overnight 11 days or 1 month Overseas Overseas Three months Six months Nine months One year Two years	— — 10 1/2-10 1/2 11-11 1/2 11 1/2-11 1/2 11 1/2-11 1/2 11 1/2-11 1/2 11 1/2-11 1/2	8-10 1/2 10 1/2-10 1/2 10 1/2-10 1/2 10 1/2-10 1/2 11-11 1/2 11-11 1/2 11-11 1/2 11-11 1/2	10 1/2-10 1/2 10 1/2-10 1/2 10 1/2-10 1/2 10 1/2-10 1/2 11-11 1/2 11-11 1/2 11-11 1/2 11-11 1/2	11 1/2-10 1/2 11 1/2-10 1/2 11 1/2-10 1/2 11 1/2-10 1/2 11 1/2-10 1/2 11 1/2-10 1/2 11 1/2-10 1/2 11 1/2-10 1/2	10 1/2-11 10 1/2-11 10 1/2-11 10 1/2-11 10 1/2-11 10 1/2-11 10 1/2-11 10 1/2-11	10 1/2-10 1/2 10 1/2-10 1/2 10 1/2-10 1/2 10 1/2-10 1/2 10 1/2-10 1/2 10 1/2-10 1/2 10 1/2-10 1/2 10 1/2-10 1/2

Local authority and finance houses over day's notice, others over day's notice monthly three years 12-12 1/2 per cent.; four years 12-12 1/2 per cent. five years 12-12 1/2 per cent. six years 12-12 1/2 per cent. seven years 12-12 1/2 per cent. eight years 12-12 1/2 per cent. nine years 12-12 1/2 per cent. ten years 12-12 1/2 per cent. eleven years 12-12 1/2 per cent. twelve years 12-12 1/2 per cent. thirteen years 12-12 1/2 per cent. fourteen years 12-12 1/2 per cent. fifteen years 12-12 1/2 per cent. sixteen years 12-12 1/2 per cent. seventeen years 12-12 1/2 per cent. eighteen years 12-12 1/2 per cent. nineteen years 12-12 1/2 per cent. twenty years 12-12 1/2 per cent.

Discount market deposits	Treasury bills 4	Bank Bills 4	Pine Tree Bills 4
7-10%			
10-10 1/2%			
10 1/2-10%	10 1/2-10 1/2%	10 1/2%	11 1/2%
10%-10 1/2%	10 1/2-10 1/2%	10 1/2-10 1/2%	11 1/2%
10 1/2-10%	10 1/2-10 1/2%	10 1/2%	11 1/2%
		10 1/2%	11 1/2%

Long-term local authority insurance
10 1/2-14 per cent. 4 Bank bill rates
10 1/2-14 per cent. four-month grade-bills
10 1/2-14 per cent. two-month 10 1/2 per cent. and
10 1/2-14 per cent. three-month 10 1/2 per cent.
10 1/2-14 per cent. two-month 10 1/2-14
10 1/2-14 per cent. from August 1, 1954. Clearing
Bills for lending 10 1/2 per cent. Treasury

WATER 10 1/2 to 12 1/2 per
over 25,000 lbs.
Demand deposits 5%
Call deposits over 1,000 6 1/2

CORAL INDEX
Close 571.475

INSURANCE RATES
Atlantic Assurance
Cannon Assurance
Address shown under names

had average tender rate of discount 10.57% per cent.

100-443887-100

FT SHARE INFORMATION SERVICE

HOTELS—Continued

[illegible]

****BRITISH FUNDS**

1975		Stock	2	1	Ind. 2
High	Low				
"Shorts" (Lives up to Five Years)					
101 1/2	99 1/4	Transary 10-15 1976 7/2	99 1/2	10	10.52
99 1/2	97 1/2	Transary 10-15 1977 7/2	97 1/2	10	9.90
97 1/2	95 1/2	Transary 10-15 1978 7/2	97 1/2	10	9.40
95 1/2	93 1/2	Transary 10-15 1979 7/2	95 1/2	10	8.90
93 1/2	91 1/2	Transary 10-15 1980 7/2	93 1/2	10	8.40
91 1/2	89 1/2	Transary 10-15 1981 7/2	91 1/2	10	7.90
89 1/2	87 1/2	Transary 10-15 1982 7/2	89 1/2	10	7.40
87 1/2	85 1/2	Transary 10-15 1983 7/2	87 1/2	10	6.90
85 1/2	83 1/2	Transary 10-15 1984 7/2	85 1/2	10	6.40
83 1/2	81 1/2	Transary 10-15 1985 7/2	83 1/2	10	5.90
81 1/2	79 1/2	Transary 10-15 1986 7/2	81 1/2	10	5.40
79 1/2	77 1/2	Transary 10-15 1987 7/2	79 1/2	10	4.90
77 1/2	75 1/2	Transary 10-15 1988 7/2	77 1/2	10	4.40
75 1/2	73 1/2	Transary 10-15 1989 7/2	75 1/2	10	3.90
73 1/2	71 1/2	Transary 10-15 1990 7/2	73 1/2	10	3.40
71 1/2	69 1/2	Transary 10-15 1991 7/2	71 1/2	10	2.90
69 1/2	67 1/2	Transary 10-15 1992 7/2	69 1/2	10	2.40
67 1/2	65 1/2	Transary 10-15 1993 7/2	67 1/2	10	1.90
65 1/2	63 1/2	Transary 10-15 1994 7/2	65 1/2	10	1.40
63 1/2	61 1/2	Transary 10-15 1995 7/2	63 1/2	10	0.90
61 1/2	59 1/2	Transary 10-15 1996 7/2	61 1/2	10	0.40
59 1/2	57 1/2	Transary 10-15 1997 7/2	59 1/2	10	0.00
57 1/2	55 1/2	Transary 10-15 1998 7/2	57 1/2	10	0.00
55 1/2	53 1/2	Transary 10-15 1999 7/2	55 1/2	10	0.00
53 1/2	51 1/2	Transary 10-15 2000 7/2	53 1/2	10	0.00
51 1/2	49 1/2	Transary 10-15 2001 7/2	51 1/2	10	0.00
49 1/2	47 1/2	Transary 10-15 2002 7/2	49 1/2	10	0.00
47 1/2	45 1/2	Transary 10-15 2003 7/2	47 1/2	10	0.00
45 1/2	43 1/2	Transary 10-15 2004 7/2	45 1/2	10	0.00
43 1/2	41 1/2	Transary 10-15 2005 7/2	43 1/2	10	0.00
41 1/2	39 1/2	Transary 10-15 2006 7/2	41 1/2	10	0.00
39 1/2	37 1/2	Transary 10-15 2007 7/2	39 1/2	10	0.00
37 1/2	35 1/2	Transary 10-15 2008 7/2	37 1/2	10	0.00
35 1/2	33 1/2	Transary 10-15 2009 7/2	35 1/2	10	0.00
33 1/2	31 1/2	Transary 10-15 2010 7/2	33 1/2	10	0.00
31 1/2	29 1/2	Transary 10-15 2011 7/2	31 1/2	10	0.00
29 1/2	27 1/2	Transary 10-15 2012 7/2	29 1/2	10	0.00
27 1/2	25 1/2	Transary 10-15 2013 7/2	27 1/2	10	0.00
25 1/2	23 1/2	Transary 10-15 2014 7/2	25 1/2	10	0.00
23 1/2	21 1/2	Transary 10-15 2015 7/2	23 1/2	10	0.00
21 1/2	19 1/2	Transary 10-15 2016 7/2	21 1/2	10	0.00
19 1/2	17 1/2	Transary 10-15 2017 7/2	19 1/2	10	0.00
17 1/2	15 1/2	Transary 10-15 2018 7/2	17 1/2	10	0.00
15 1/2	13 1/2	Transary 10-15 2019 7/2	15 1/2	10	0.00
13 1/2	11 1/2	Transary 10-15 2020 7/2	13 1/2	10	0.00
11 1/2	9 1/2	Transary 10-15 2021 7/2	11 1/2	10	0.00
9 1/2	7 1/2	Transary 10-15 2022 7/2	9 1/2	10	0.00
7 1/2	5 1/2	Transary 10-15 2023 7/2	7 1/2	10	0.00

Five to Fifteen Years

[illegible]

INTERNATIONAL BANK

[illegible]

COMMONWEALTH & AFRICAN

[illegible]

FOREIGN BONDS & RAT

[illegible]

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[illegible]

CANADIANS

[illegible]

BUILDING INDUSTRY—Cont.

[illegible]

DRAPERY AND STORES—

[illegible]**ENGINEERING—Continue**[illegible]

INDUSTRIALS

(Miscel.)					
155	128	A.A.N.	142	+1	9.1
156	129	Ad Int'l National	122.50		45.04
157	130	AGB Research	38.25	-1/2	2.05
158	131	A.P.V. Ind.	38.25		2.05
159	132	Amusement Soc. of	38.25		2.05
160	133	Amusement Soc. of	38.25		2.05
161	134	Amusement Soc. of	38.25		2.05
162	135	Amusement Soc. of	38.25		2.05
163	136	Amusement Soc. of	38.25		2.05
164	137	Amusement Soc. of	38.25		2.05
165	138	Amusement Soc. of	38.25		2.05
166	139	Amusement Soc. of	38.25		2.05
167	140	Amusement Soc. of	38.25		2.05
168	141	Amusement Soc. of	38.25		2.05
169	142	Amusement Soc. of	38.25		2.05
170	143	Amusement Soc. of	38.25		2.05
171	144	Amusement Soc. of	38.25		2.05
172	145	Amusement Soc. of	38.25		2.05
173	146	Amusement Soc. of	38.25		2.05
174	147	Amusement Soc. of	38.25		2.05
175	148	Amusement Soc. of	38.25		2.05
176	149	Amusement Soc. of	38.25		2.05
177	150	Amusement Soc. of	38.25		2.05
178	151	Amusement Soc. of	38.25		2.05
179	152	Amusement Soc. of	38.25		2.05
180	153	Amusement Soc. of	38.25		2.05
181	154	Amusement Soc. of	38.25		2.05
182	155	Amusement Soc. of	38.25		2.05
183	156	Amusement Soc. of	38.25		2.05
184	157	Amusement Soc. of	38.25		2.05
185	158	Amusement Soc. of	38.25		2.05
186	159	Amusement Soc. of	38.25		2.05
187	160	Amusement Soc. of	38.25		2.05
188	161	Amusement Soc. of	38.25		2.05
189	162	Amusement Soc. of	38.25		2.05
190	163	Amusement Soc. of	38.25		2.05
191	164	Amusement Soc. of	38.25		2.05
192	165	Amusement Soc. of	38.25		2.05
193	166	Amusement Soc. of	38.25		2.05
194	167	Amusement Soc. of	38.25		2.05
195	168	Amusement Soc. of	38.25		2.05
196	169	Amusement Soc. of	38.25		2.05
197	170	Amusement Soc. of	38.25		2.05
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385	358	Amusement Soc. of	38.25		2.05
386	359	Amusement Soc. of	38.25		2.05
387	360	Amusement Soc. of	38.25		2.05
388	361				

BANKS AND HIRE PURCHASE

[illegible]

ELECTRICAL AND RADIO

74	38	65	93	3.7
75	39	66	94	3.7
76	40	67	95	3.7
77	41	68	96	3.7
78	42	69	97	3.7
79	43	70	98	3.7
80	44	71	99	3.7
81	45	72	100	3.7
82	46	73	101	3.7
83	47	74	102	3.7
84	48	75	103	3.7
85	49	76	104	3.7
86	50	77	105	3.7
87	51	78	106	3.7
88	52	79	107	3.7
89	53	80	108	3.7
90	54	81	109	3.7
91	55	82	110	3.7
92	56	83	111	3.7
93	57	84	112	3.7
94	58	85	113	3.7
95	59	86	114	3.7
96	60	87	115	3.7
97	61	88	116	3.7
98	62	89	117	3.7
99	63	90	118	3.7
100	64	91	119	3.7
101	65	92	120	3.7
102	66	93	121	3.7
103	67	94	122	3.7
104	68	95	123	3.7
105	69	96	124	3.7
106	70	97	125	3.7
107	71	98	126	3.7
108	72	99	127	3.7
109	73	100	128	3.7
110	74	101	129	3.7
111	75	102	130	3.7
112	76	103	131	3.7
113	77	104	132	3.7
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115	79	106	134	3.7
116	80	107	135	3.7
117	81	108	136	3.7
118	82	109	137	3.7
119	83	110	138	3.7
120	84	111	139	3.7
121	85	112	140	3.7
122	86	113	141	3.7
123	87	114	142	3.7
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125	89	116	144	3.7
126	90	117	145	3.7
127	91	118	146	3.7
128	92	119	147	3.7
129	93	120	148	3.7
130	94	121	149	3.7
131	95	122	150	3.7
132	96	123	151	3.7
133	97	124	152	3.7
134	98	125	153	3.7
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137	101	128	156	3.7
138	102	129	157	3.7
139	103	130	158	3.7
140	104	131	159	3.7
141	105	132	160	3.7
142	106	133	161	3.7
143	107	134	162	3.7
144	108	135	163	3.7
145	109	136	164	3.7
146	110	137	165	3.7
147	111	138	166	3.7
148	112	139	167	3.7
149	113	140	168	3.7
150	114	141	169	3.7
151	115	142	170	3.7
152	116	143	171	3.7
153	117	144	172	3.7
154	118	145	173	3.7
155	119	146	174	3.7
156	120	147	175	3.7
157	121	148	176	3.7
158	122	149	177	3.7
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160	124	151	179	3.7
161	125	152	180	3.7
162	126	153	181	3.7
163	127	154	182	3.7
164	128	155	183	3.7
165	129	156	184	3.7
166	130	157	185	3.7
167	131	158	186	3.7
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172	136	163	191	3.7
173	137	164	192	3.7
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175	139	166	194	3.7
176	140	167	195	3.7
177	141	168	196	3.7
178	142	169	197	3.7
179	143	170	198	3.7
180	144	171	199	3.7
181	145	172	200	3.7
182	146	173	201	3.7
183	147	174	202	3.7
184	148	175	203	3.7
185	149	176	204	3.7
186	150	177	205	3.7
187	151	178	206	3.7
188	152	179	207	3.7
189	153	180	208	3.7
190	154	181	209	3.7
191	155	182	210	3.7
192	156	183	211	3.7
193	157	184	212	3.7
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207	171	198	226	3.7
208	172	199	227	3.7
209	173	200	228	3.7
210	174	201	229	3.7
211	175	202	230	3.7
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213	177	204	232	3.7
214	178	205	233	3.7
215	179	206	234	3.7
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217	181	208	236	3.7
218	182	209	237	3.7
219	183	210	238	3.7
220	184	211	239	3.7
221	185	212	240	3.7
222	186	213	241	3.7
223	187	214	242	3.7
224	188	215	243	3.7
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226	190	217	245	3.7
227	191	218	246	3.7
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229	193	220	248	3.7
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232	196	223	251	3.7
233	197	224	252	3.7
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262	226	253	281	3.7
263	227	254	282	3.7
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266	230	257	285	3.7
267	231	258	286	3.7
268	232	259	287	3.7
269	233	260	288	3.7
270	234	261	289	3.7
271	235	262	290	3.7
272	236	263	291	3.7
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279	243	270	298	3.7
280	244	271	299	3.7
281	245	272	300	3.7
282	246	273	301	3.7
283	247	274	302	3.7
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288	252	279	307	3.7
289	253	280	308	3.7
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291	255	282	310	3.7
292	256	283	311	3.7
293	257	284	312	3.7
294	258	285	313	3.7
295	259	286	314	3.7
296	260	287	315	3.7
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352	316	343	371	3.7
353	317	344	372	3.7
354	318	345	373	3.7
355	319	346	374	3.7
356	320	347	375	3.7
357	321	348	376	3.7
358	322</			

CHEMICALS, PLASTICS

630	Alco Wt P1.50	72	-1	3.75	21	0.0	71	0.0
631	Albertain Wt. 50	72	-1	3.75	21	0.0	71	0.0
632	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
633	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
634	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
635	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
636	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
637	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
638	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
639	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
640	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
641	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
642	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
643	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
644	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
645	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
646	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
647	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
648	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
649	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
650	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
651	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
652	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
653	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
654	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
655	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
656	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
657	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
658	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
659	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
660	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
661	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
662	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
663	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
664	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
665	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
666	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
667	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
668	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
669	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
670	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
671	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
672	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
673	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
674	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.0
675	Alpine Ind. 100	72	-1	3.75	21	0.0	71	0.

ENGINEERING MACHINE

82	67	A.C.E. Machinery	71	2.75	3.5	6.0
235	230	A.P.V. 50	255	9.29	3.6	5.8
56	58	Arrow (Engs.)	2	2.03	4	4.8
66	54	Do 'A'	62	2.00	3	5.1
170	135	Adwest Group	143	16.94	3.5	7.5
77	79	Adco	544	6.94	2.4	4.8
79	40	Allen G. Ballou	3	3.4	2.4	3.8
42	30	Allen W.G.	2	2.53	4	10.7
44	42	Aluminum Corp.	54	2.95	1.4	8.4
55	54	Amal. Power	99	3.32	2.6	8.7
36	32	Ames S. Clyde 2p.	41	2.3	2.3	8.6
52	22	Anglo-Siam	24	2.1		

• FOOD, GROCERIES, ETC.

36	23	37	31	33	25	6.3
50	32	40	40	40	36	7.0
55	36	44	44	44	40	7.7
60	40	48	48	48	44	8.3
65	44	52	52	52	48	9.0
70	48	56	56	56	52	9.7
75	52	60	60	60	56	10.3
80	56	64	64	64	60	11.0
85	60	68	68	68	64	11.7
90	64	72	72	72	68	12.4
95	68	76	76	76	72	13.0
100	72	80	80	80	76	13.7
105	76	84	84	84	80	14.4
110	80	88	88	88	84	15.0
115	84	92	92	92	88	15.7
120	88	96	96	96	92	16.4
125	92	100	100	100	96	17.0
130	96	104	104	104	100	17.7
135	100	108	108	108	104	18.4
140	104	112	112	112	108	19.0
145	108	116	116	116	112	19.7
150	112	120	120	120	116	20.4
155	116	124	124	124	120	21.0
160	120	128	128	128	124	21.7
165	124	132	132	132	128	22.4
170	128	136	136	136	132	23.0
175	132	140	140	140	136	23.7
180	136	144	144	144	140	24.4
185	140	148	148	148	144	25.0
190	144	152	152	152	148	25.7
195	148	156	156	156	152	26.4
200	152	160	160	160	156	27.0
205	156	164	164	164	160	27.7
210	160	168	168	168	164	28.4
215	164	172	172	172	168	29.0
220	168	176	176	176	172	29.7
225	172	180	180	180	176	30.4
230	176	184	184	184	180	31.0
235	180	188	188	188	184	31.7
240	184	192	192	192	188	32.4
245	188	196	196	196	192	33.0
250	192	200	200	200	196	33.7
255	196	204	204	204	200	34.4
260	200	208	208	208	204	35.0
265	204	212	212	212	208	35.7
270	208	216	216	216	212	36.4
275	212	220	220	220	216	37.0
280	216	224	224	224	220	37.7
285	220	228	228	228	224	38.4
290	224	232	232	232	228	39.0
295	228	236	236	236	232	39.7
300	232	240	240	240	236	40.4
305	236	244	244	244	240	41.0
310	240	248	248	248	244	41.7
315	244	252	252	252	248	42.4
320	248	256	256	256	252	43.0
325	252	260	260	260	256	43.7
330	256	264	264	264	260	44.4
335	260	268	268	268	264	45.0
340	264	272	272	272	268	45.7
345	268	276	276	276	272	46.4
350	272	280	280	280	276	47.0
355	276	284	284	284	280	47.7
360	280	288	288	288	284	48.4
365	284	292	292	292	288	49.0
370	288	296	296	296	292	49.7
375	292	300				

CINEMAS, THEATRES AND TV

71	95	Anglia TV "A"	300	6.8	1.9	10.5	7.6
72	61	Am. Tele. "A"	67	-1	1.0	1.3	0.5
73	19	Granpania "A" 10p	21	1.62	1.2	1.1	0.8
74	112	W. W. W. 30p.	142	-2	1.2	1.1	0.8
75	30	W. W. W. 30p.	47	1.23	1.5	1.7	0.8
76	62	Real. TV Prod. E1	64	5.95	1.9	1.4	0.8
77	182	Scott. TV "A" 10p	39	3.1	5.0	6.9	4.5
78	20	Scott. TV "A" 10p.	23	12.11	1.1	9.8	1.4
79	13	Ulster TV "A"	39	13.4	1.6	13.4	7.7
80	11	Westward TV 10p.	17	-1	1.2	1.2	1.0

DRAPERY AND STORES

85	Allied Retail Inc.	86	25	-1	12.08	9.5	4.5	5.7
86	Amber Day Inc.	87	12	12.08	9.5	32.8	2.8	1.5
87	Amco Int'l Inc.	88	20	12.08	9.5	1.2	1.2	1.2
88	Do 'A'	89	27	12.08	9.5	6.7	6.7	6.7
89	AutoSound Inc.	90	27	+2	12.09	17.13	6.5	6.5
90	Beaumont Inc.	91	27	12.09	9.5	1.2	1.2	1.2
91	Beaumont 'A'	92	27	12.09	9.5	4.0	6.0	6.0
92	Bermuda Inc.	93	27	12.09	9.5	2.2	7.4	7.4
93	Bermuda 'A'	94	27	12.09	9.5	3.8	1.2	1.2
94	Bermuda 'B'	95	27	12.09	9.5	1.2	1.2	1.2
95	Boardman RO Sp.	96	27	12.09	9.5	1.2	1.2	1.2
96	Boston Fed. Sp.	97	27	12.09	9.5	1.2	1.2	1.2
97	Br. Home Str.	98	27	12.09	9.5	1.2	1.2	1.2
98	Br. Home 'A'	99	27	12.09	9.5	1.2	1.2	1.2
99	Br. Home 'B'	100	27	12.09	9.5	1.2	1.2	1.2
100	Br. Home 'C'	101	27	12.09	9.5	1.2	1.2	1.2
101	Br. Home 'D'	102	27	12.09	9.5	1.2	1.2	1.2
102	Br. Home 'E'	103	27	12.09	9.5	1.2	1.2	1.2
103	Br. Home 'F'	104	27	12.09	9.5	1.2	1.2	1.2
104	Br. Home 'G'	105	27	12.09	9.5	1.2	1.2	1.2
105	Br. Home 'H'	106	27	12.09	9.5	1.2	1.2	1.2
106	Br. Home 'I'	107	27	12.09	9.5	1.2	1.2	1.2
107	Br. Home 'J'	108	27	12.09	9.5	1.2	1.2	1.2
108	Br. Home 'K'	109	27	12.09	9.5	1.2	1.2	1.2
109	Br. Home 'L'	110	27	12.09	9.5	1.2	1.2	1.2
110	Br. Home 'M'	111	27	12.09	9.5	1.2	1.2	1.2
111	Br. Home 'N'	112	27	12.09	9.5	1.2	1.2	1.2
112	Br. Home 'O'	113	27	12.09	9.5	1.2	1.2	1.2
113	Br. Home 'P'	114	27	12.09	9.5	1.2	1.2	1.2
114	Br. Home 'Q'	115	27	12.09	9.5	1.2	1.2	1.2
115	Br. Home 'R'	116	27	12.09	9.5	1.2	1.2	1.2
116	Br. Home 'S'	117	27	12.09	9.5	1.2	1.2	1.2
117	Br. Home 'T'	118	27	12.09	9.5	1.2	1.2	1.2
118	Br. Home 'U'	119	27	12.09	9.5	1.2	1.2	1.2
119	Br. Home 'V'	120	27	12.09	9.5	1.2	1.2	1.2
120	Br. Home 'W'	121	27	12.09	9.5	1.2	1.2	1.2
121	Br. Home 'X'	122	27	12.09	9.5	1.2	1.2	1.2
122	Br. Home 'Y'	123	27	12.09	9.5	1.2	1.2	1.2
123	Br. Home 'Z'	124	27	12.09	9.5	1.2	1.2	1.2
124	Br. Home 'AA'	125	27	12.09	9.5	1.2	1.2	1.2
125	Br. Home 'AB'	126	27	12.09	9.5	1.2	1.2	1.2
126	Br. Home 'AC'	127	27	12.09	9.5	1.2	1.2	1.2
127	Br. Home 'AD'	128	27	12.09	9.5	1.2	1.2	1.2
128	Br. Home 'AE'	129	27	12.09	9.5	1.2	1.2	1.2
129	Br. Home 'AF'	130	27	12.09	9.5	1.2	1.2	1.2
130	Br. Home 'AG'	131	27	12.09	9.5	1.2	1.2	1.2
131	Br. Home 'AH'	132	27	12.09	9.5	1.2	1.2	1.2
132	Br. Home 'AI'	133	27	12.09	9.5	1.2	1.2	1.2
133	Br. Home 'AJ'	134	27	12.09	9.5	1.2	1.2	1.2
134	Br. Home 'AK'	135	27	12.09	9.5	1.2	1.2	1.2
135	Br. Home 'AL'	136	27	12.09	9.5	1.2	1.2	1.2
136	Br. Home 'AM'	137	27	12.09	9.5	1.2	1.2	1.2
137	Br. Home 'AN'	138	27	12.09	9.5	1.2	1.2	1.2
138	Br. Home 'AO'	139	27	12.09	9.5	1.2	1.2	1.2
139	Br. Home 'AP'	140	27	12.09	9.5	1.2	1.2	1.2
140	Br. Home 'AQ'	141	27	12.09	9.5	1.2	1.2	1.2
141	Br. Home 'AR'	142	27	12.09	9.5	1.2	1.2	1.2
142	Br. Home 'AS'	143	27	12.09	9.5	1.2	1.2	1.2
143	Br. Home 'AT'	144	27	12.09	9.5	1.2	1.2	1.2
144	Br. Home 'AU'	145	27	12.09	9.5	1.2	1.2	1.2
145	Br. Home 'AV'	146	27	12.09	9.5	1.2	1.2	1.2
146	Br. Home 'AW'	147	27	12.09	9.5	1.2	1.2	1.2
147	Br. Home 'AX'	148	27	12.09	9.5	1.2	1.2	1.2
148	Br. Home 'AY'	149	27	12.09	9.5	1.2	1.2	1.2
149	Br. Home 'AZ'	150	27	12.09	9.5	1.2	1.2	1.2
150	Br. Home 'BA'	151	27	12.09	9.5	1.2	1.2	1.2
151	Br. Home 'BB'	152	27	12.09	9.5	1.2	1.2	1.2
152	Br. Home 'BC'	153	27	12.09	9.5	1.2	1.2	1.2
153	Br. Home 'BD'	154	27	12.09	9.5	1.2	1.2	1.2
154	Br. Home 'BE'	155	27	12.09	9.5	1.2	1.2	1.2
155	Br. Home 'BF'	156	27	12.09	9.5	1.2	1.2	1.2
156	Br. Home 'BG'	157	27	12.09	9.5	1.2	1.2	1.2
157	Br. Home 'BH'	158	27	12.09	9.5	1.2	1.2	1.2
158	Br. Home 'BI'	159	27	12.09	9.5	1.2	1.2	1.2
159	Br. Home 'BJ'	160	27	12.09	9.5	1.2	1.2	1.2
160	Br. Home 'BK'	161	27	12.09	9.5	1.2	1.2	1.2
161	Br. Home 'BL'	162	27	12.09	9.5	1.2	1.2	1.2
162	Br. Home 'BM'	163	27	12.09	9.5	1.2	1.2	1.2
163	Br. Home 'BN'	164	27	12.09	9.5	1.2	1.2	1.2
164	Br. Home 'BO'	165	27	12.09	9.5	1.2	1.2	1.2
165	Br. Home 'BP'	166	27	12.09	9.5	1.2	1.2	1.2
166	Br. Home 'BQ'	167	27	12.09	9.5	1.2	1.2	1.2
167	Br. Home 'BR'	168	27	12.09	9.5	1.2	1.2	1.2
168	Br. Home 'BS'	169	27	12.09	9.5	1.2	1.2	1.2
169	Br. Home 'BT'	170	27	12.09	9.5	1.2	1.2	1.2
170	Br. Home 'BU'	171	27	12.09	9.5	1.2	1.2	1.2
171	Br. Home 'BV'	172	27	12.09	9.5	1.2	1.2	1.2
172	Br. Home 'BW'	173	27	12.09	9.5	1.2	1.2	1.2
173	Br. Home 'BX'	174	27	12.09	9.5	1.2	1.2	1.2
174	Br. Home 'BY'	175	27	12.09	9.5	1.2	1.2	1.2
175	Br. Home 'BZ'	176	27	12.09	9.5	1.2	1.2	1.2
176	Br. Home 'CA'	177	27	12.09	9.5	1.2	1.2	1.2
177	Br. Home 'CB'	178	27	12.09	9.5	1.2	1.2	1.2
178	Br. Home 'CC'	179	27	12.09	9.5	1.2	1.2	1.2
179	Br. Home 'CD'	180	27	12.09	9.5	1.2	1.2	1.2
180	Br. Home 'CE'	181	27	12.09	9.5	1.2	1.2	1.2
181	Br. Home 'CF'	182	27	12.09	9.5	1.2	1.2	1.2
182	Br. Home 'CG'	183	27	12.09	9.5	1.2	1.2	1.2
183	Br. Home 'CH'	184	27	12.09	9.5	1.2	1.2	1.2
184	Br. Home 'CI'	185	27	12.09	9.5	1.2	1.2	1.2
185	Br. Home 'CJ'	186	27	12.09	9.5	1.2	1.2	1.2
186	Br. Home 'CK'	187	27	12.09	9.5	1.2	1.2	1.2
187	Br. Home 'CL'	188	27	12.09	9.5	1.2	1.2	1.2
188	Br. Home 'CM'	189	27	12.09	9.5	1.2	1.2	1.2
189	Br. Home 'CN'	190	27	12.09	9.5	1.2	1.2	1.2
190	Br. Home 'CO'	191	27	12.09	9.5	1.2	1.2	1.2
191	Br. Home 'CP'	192	27	12.09	9.5	1.2	1.2	1.2
192	Br. Home 'CQ'	193	27	12.09	9.5	1.2	1.2	1.2
193	Br. Home 'CR'	194	27	12.09	9.5	1.2	1.2	1.2
194	Br. Home 'CS'	195	27	12.09	9.5	1.2	1.2	1.2
195	Br. Home 'CT'	196	27	12.09	9.5	1.2	1.2	1.2
196	Br. Home 'CU'	197	27	12.09	9.5	1.2	1.2	1.2
197	Br. Home 'CV'	198	27	12.09	9.5	1.2	1.2	1.2
198	Br. Home 'CW'	199	27	12.09	9.5	1.2	1.2	1.2
199	Br. Home 'CX'	200	27	12.09	9.5	1.2	1.2	1.2

47	Bangum, Rint	52	3.92
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149-2	6	Adds Int. 10p	12					
87	542	Barrel (J.) Fr. 100	545	+2	1012.45	0	2.9	0
60.	37	Brent Walker 3p	48	-1	1.02	0.7	3.3	59.2
26	18	Centre Hotels 10p	21		80.96	2.6	7.0	6.6
36	19	C.C.R. Invests	31					

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FINANCIAL TIMES

Friday August 20 1976

BELL
SCOTCH WHISKY
More ye go

Extra £50m. blow for Crown Agents

BY MARGARET REID

THE CROWN AGENTS the State-owned body which invests and buys for overseas Governments, will emerge next month as having fared more disastrously from its earlier involvement in the secondary banking crisis than any other concern.

The 1975 accounts, due out early in September, shortly after those of Keyser Ullmann and United Dominions Trust in the same sector — are expected to show that the Agents had to set aside another £50m. of provisions against its loans and investments.

Added to the provisions of £130m. already made, this will mean that the Agents will have effectively written off £180m., or a very high proportion of their £200m. plus in the earlier 1970s into secondary banking and property. This is a larger amount than has been suffered by any other group caught up in the crisis in this field.

The Agents' policy since Mr. John Cuckney became chairman in October 1974 has been one of progressive disengagement from these ill-fated areas, and concentration instead on the purchas-

ing, contract management and investment management sides which have been successful.

Meanwhile, some £35m. of remaining assets of value on the secondary banking and property side have now been sold off for cash.

The likelihood is that the Agents' 1975 accounts will treat the unhappy harvest of the excursion into the troubled banking and property sectors quite separately, so that they appear in a realisation account, where the new provisions will be included.

The purchasing business has been very active, and deposits from overseas — which are effectively guaranteed — are now at around record levels. Dollar and

other foreign currency deposits stand at about \$1bn. (£560m.).

The latest provisions have almost certainly been required mainly in connection with the Agents' big involvement in Australia, and in the unquoted English and Continental Property company, as well as against the very large loans to the Stern property concern.

These provisions are likely to increase the Agents' end-1974 technical deficiency of £16m. to about £60m. after crediting limited surpluses on certain disposals.

To all this gap, the Agents — who already in December, 1974 had an £85m. Government grant — could ultimately need a further grant to cover the increased deficiency of some £60m., plus perhaps £30m. more to provide them with new capital — say £90m. in all.

Very active

This would leave the results of the Agents' regular business to be shown in the main accounts. Last autumn, Mr. Cuckney estimated that the normal business would yield a small profit in 1975; this may well now turn out to have been some £5m. £6m.

The purchasing business has been very active, and deposits from overseas — which are effectively guaranteed — are now at around record levels. Dollar and

Plan to drop import tariff on drought-hit vegetables

BY ROBIN REEVES

A PLAN for the total suspension of Common Market import tariffs on a wide range of fresh vegetables hit by the drought is expected to be announced tomorrow by the European Commission. The suspension, which would last until the end of September, probably will come into force early next week.

The list of vegetables to be included will be discussed on Monday by an emergency meeting of the Brussels-based special agricultural committee — made up of EEC officials and representatives of Common Market member countries — before giving final approval.

Suspension of the tariffs — ranging at present between 10 and 20 per cent — should extend to most field vegetables such as peas, beans, carrots, onions and cauliflower. Imports of potatoes into the EEC were suspended in July.

Argument

There is argument behind the scenes over the possible inclusion of selected salad items such as cucumbers and lettuce. The Dutch, in particular, want EEC tariff protection to continue on salad crops, but the Germans, supported by Luxembourg, want it lifted on some salad items. But the tariff suspension will not extend to cucumbers, since supplies are considered ample, nor will it apply to the major temperate fruits such as apples, pears and peaches.

It is not clear what impact the

move is going to have on vegetable supplies and prices — if any. There are no obvious large supplies of vegetables outside the EEC's tariff walls ready to flood in. The suspension therefore could prove little more than a gesture.

Meanwhile, the British Government's latest discussions on prices in the drought are being followed closely here, with particular interest being taken in reports that Mr. Fred Peart, Agriculture Minister, is expected to press for further "green pound devaluation at next week's emergency Cabinet meeting in order to alleviate farmers' difficulties by raising prices for their produce."

Any green pound devaluation would be welcome to the Brussels Commission since this year's sharp decline in sterling has played havoc with the common farm budget by greatly increasing the bill for EEC subsidies paid on U.K. food imports.

If Mr. Peart were to gain approval for a green pound devaluation, he could call for an emergency meeting in early September of the Common Market's Council of Agricultural Ministers. Alternatively, he may wait until the scheduled meeting of the council on September 20. Arthur Smith writes: The Welsh Agricultural Development Authority announced yesterday that cuts to 1m. consumers are to be extended to 17 hours a day from Monday. A further 115,000 consumers will face cuts of up to

BRUSSELS, Aug. 19.

13 hours a day from next month. But the threat of a 50 per cent reduction in water supplies to industry has been deferred for two weeks to September 15 for most of South Wales.

Now only 76 companies in the Blaenau Gwent area will face major cuts from September 1 because reserves in the Cwm-tillery reservoir serving the locality are down to just two weeks.

Consideration

The authority says that most of the companies affected, including the British Steel Corporation's Ebbw Vale works and six National Coal Board collieries, could achieve savings without laying off workers. Special consideration would be given to any company genuinely not able to avoid a threat to jobs.

The Anglian Water Authority announced last night that it was seeking Government permission for a £185,000 scheme to reverse the flow of the River Ouse. Pumps would be used to divert water upstream between Huntingdon and Ely to Graham reservoir. The scheme would postpone the plan for standpipes. Milk produced by dairy farms in England and Wales last month was more than 5.6m. gallons less than 12 months earlier, according to figures issued yesterday by the Milk Marketing Board. The situation is bound to deteriorate as the dry weather continues. Saying it on paper, page 13 John Cherrington, Page 23

Proportional representation not recommended for Strasbourg

BY REGINALD DALE, EUROPEAN EDITOR

A COMMONS committee has rejected proposals that British members of the European Parliament should be elected by proportional representation when first direct elections to the Strasbourg Chamber are held in 1978.

In its second report, published yesterday, the Select Committee on Direct Elections recommended that the first-past-the-post system used in all Parliamentary elections should be retained — at least for the first European poll.

But the committee gives a warning that the Government will have to pass enabling legislation by the end of February if Britain is to meet the community's May-June, 1978, target date for the first election. The Bill would have to include provisions for the allocation of seats inside the U.K. to the electoral system and the terms of reference for boundary commissions.

Out of the 51 British seats in the 410-member assembly, the committee recommends that England should have 66, Scotland eight, Wales four and Northern Ireland three. Allocation of seats

within the U.K. should be proportional to population with some allowance for Scotland, Wales and Northern Ireland, partly by rounding up and partly to allow for the large size of certain areas and the scattered nature of their population.

The committee says that unless boundary commission procedures are shortened it might not be possible to meet the target date. It suggests that there should be provision for only one round of local representations and inquiries instead of two. "It is undesirable that the U.K. should be seen to lag behind other EEC countries in the election of its representatives to the assembly."

'Lopsided'

The committee's recommendations were attacked by the Liberal Party and the recently formed National Committee for Electoral Reform, both of which favour proportional representation. Mr. Jeremy Thorpe, former Liberal leader, said Britain was being invited to "make a com-

plete ass of itself" in the first election. Mr. John Pardoe, Liberal MP for North Cornwall, said the Labour Party was used to go along with the first-past-the-post system.

Mr. Thorpe said most Scottish seats would go to the Conservatives, the Labour Party would take almost all seats in England, and the Labour Party would probably end up in a minority although in Government. The National Committee for Electoral Reform said the proposal meant that Britain would have a lopsided membership in the assembly which would bring Britain and Britain into disrepute in Europe.

Second Report from the Select Committee on Direct Elections to the European Assembly, November 1975-76; Commons Paper 515; SO 30p.

Editorial comment, Page 14

Continued from Page 1

Ford's running mate

ever, called the President this morning to congratulate him and to say that he was not surprised at the harmony he had detected in the Republican convention. Mr. Carter, in warning his own forces against complacency and his comments must be seen in that light.

Senator Baker, for example, implied unhappiness at the Vice Presidential selection process. "It was the result of give and take and various negotiations between factions in the party and that's the way the slot machine works," Senator Baker said. "It's OK with me. But

I am sure that this is not the way the Vice President should be chosen and we must change it for the future."

Similarly, Mr. Reagan's appearance before his own supporters this morning, just a few minutes before the President unveiled Senator Dole, was noteworthy for its continued commitment to the conservative cause and for the complete absence of any mention of President Ford. "The cause goes on," Mr. Reagan, visibly moved and with his wife in tears, said. "It's just one battle in a long war. Nancy and I aren't going to go back and sit in a rocking chair

His comments, and others in the same vein from his supporters, were somewhat removed from what happened in the small hours of this morning.

When the President drove over to Mr. Reagan's hotel to congratulate him on a good fight, to praise his abilities and to proclaim his own philosophical affinity with Mr. Reagan and to say that he would be welcomed in a Ford Administration, he apparently did not offer Mr. Reagan the number two spot on his ticket, something clearly wanted by probably the majority of Republicans at this convention.

S.African riots spread claiming another 14 lives

BY GRAHAM HATTON

JOHANNESBURG, August 19.

CROWDS OF Blacks rampaged through the black suburban streets of Port Elizabeth today, stoning and burning cars and buildings in a second day of anti-Government violence in which at least 14 persons have died.

A police spokesman said the rioters were "still active" in the segregated suburbs of Brighton, Zwijve and Kwa-Zakhele. He said 23 blacks were wounded and 31 arrested in violence in which police fired on raging crowds.

According to unofficial estimates the death toll may reach 20. The latest official death toll brings to 231 the number of persons killed in about two months.

A pall of black smoke hung all day to-day over the suburbs where 17 buildings have been destroyed by fire since the rioting began on Wednesday. Liquor stores, Government buildings, a post office and a bank, a day hospital, a clinic and eight black-owned shops were gutted police said.

They said two schools were also burned down. The townships have been closed off by police who to-day brought in reinforcements to help contain the unrest.

As reports of the killings reached here, Mr. Pieter van der Merwe, Minister of Police, claimed in an interview that his men had broken the back of the disturbances. "Indications are that the riots are dying down because we have got hold of most of the organisers and leaders," he said.

Mr. Kruger's claim was echoed this afternoon by a top police officer, Brigadier Kriel, who said he considered the Port Elizabeth outbreak "the final throes of the unrest which has disrupted South Africa for nearly two months."

Violence flared up yesterday afternoon when pupils of the Kwa-Zakhele High School marched from their school grounds towards the Wolfson Stadium, a major sports centre, where they were joined by adults.

Damage in Port Elizabeth has so far been estimated at R400,000, but this figure is expected to top R4m. after further assessments.

Black power

Meanwhile, police are continuing to round up blacks in their bid to smash the Black Power movement. Following the detention earlier this week of Steve Biko, former leader of the Black South African Students Organisation (SASO), police to-day arrested five University of Natal Medical students. Among those detained were Mr. Mji, immediate past-president of SASO and Mr. Dube, chairman of the Happy Valley Clinic Committee.

In Soweto, the police search for Mr. Tsietsi Mashinini, president of the Soweto Students Representative Council, continues. In Durban police detained at least six more people in an extensive wave of arrests linked with the black unrest.

Later the Transvaal Chamber of Industries, representing the hub of South African industry, recommended in a document sent to Mr. John Vorster, the Prime Minister, a radical improvement in the status of urban blacks to remove the "smoldering discontent" which had since June led to bloody riots in the townships.

The 26-page document, drawn up by a committee of leading industrialists, recommends, among other things, that migrant workers and higher wages.

Jaguar strike looms over paint shop move

BY TERRY LODSWORTH, MOTOR INDUSTRY CORRESPONDENT

INDUSTRIAL action at British Leyland's Jaguar works at Coventry looks likely to be intensified in the wake of the company's decision to site a new paint plant in Birmingham.

For several weeks Jaguar trade unions have fought to keep the company's painting facility on the Browns Lane site in Coventry. But the £12m. contract awarded yesterday to Otto Duerr U.K., a British subsidiary of the German-based company, means that Leyland cannot be determined to go ahead with plans to rationalise its vehicle painting.

Flexibility

The Coventry paint shop workers, who have already imposed an overtime ban, have also demanded a public inquiry into the move to abandon painting at Browns Lane before the September 1. There is a clear

possibility of an all-out strike next week if Leyland does not meet the demand.

Leyland argues that its decision to go to Castle Bromwich is justified on the grounds of economy and flexibility. Estimates of the cost of the alternative site at Jaguar have been as much as £20m. and while this figure might be unrealistic, the use of existing facilities at Castle Bromwich will apparently bring the price down substantially.

Castle Bromwich will also be more central geographically to Leyland's needs, so that the paint plant could be used for assembly operations other than Jaguar. Leyland is planning a throughput for the new site of about 2,000 vehicles a week, well above the 600 that Jaguar makes above the 600 that Jaguar makes. There is a clear intention to use it for other cars too. This in the move to abandon painting at Browns Lane would be more difficult to do September 1. There is a clear

Shell nears decision on £20m. expansion

BY RHYS DAVID

SHELL CHEMICALS (U.K.) is thought to be close to a decision on a £20m. expansion of its low-density polyethylene (LDPE) facilities at Carrington, Manchester, at a cost of more than £20m.

A parallel scheme to increase ethylene feedstock capacity at the same site by 60,000 tonnes, by relieving a bottleneck at an existing plant, is also being considered.

Shell confirmed yesterday that it had submitted Carrington scheme for planning permission to Greater Manchester Council, though the project is still waiting for Board approval. U.K. demand for LDPE, widely used in the packaging industry, is expected to increase by 50 per cent by 1980. Current capacity in Britain is around 475,000 tonnes, with consumption this year expected to reach 380,000 tonnes, compared with 350,000 tonnes in 1975.

Apart from Shell which already has an 88,000-tonnes capacity plant at Carrington, the other U.K. producers are ICI,

Shell, BXL, and Monsanto. The proposed expansion of ethylene capacity—the feedstock for polyethylene—is separate from another scheme also being considered by Shell for a new ethylene plant to be built, probably at Carrington, or at Stanlow in Cheshire.

Losses

The company has been considering this project — which would probably involve a £50,000 tonnes plant costing well over £150m. — for some time, but after losses in three of the past four years needs to convince the main Shell Board of the prudence of such a scheme. So far this year, with chemical prices and demand falling, Shell has made £2.5m. profit on its U.K. chemical operations.

The more modest revamping exercise would aim at producing 60,000 tonnes more from an existing 150,000-tonnes capacity ethylene unit. It is reported by the weekly Chemical Age, to be under study for Shell by Lumsum Nederland.

Rush of freighter orders boosts British yards

BY JOHN WYLES, SHIPPING CORRESPONDENT

A SURPRISE surge of orders gave British shipyards an almost unprecedented 10.9 per cent of world orders for dry cargo ships for several yards who are going placed between May and August, according to unofficial figures published yesterday.

Although British shipyards would clearly wish this trend to continue, the volume of orders is generally regarded as unrealistic in line with the recent Shipping Association's statistics for the 19 ships totalling 276,550

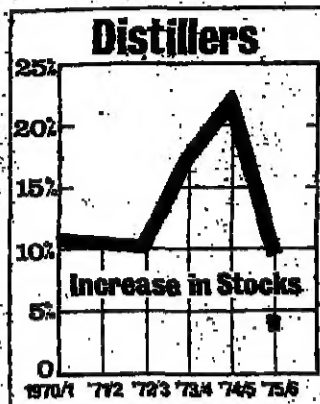
d.w.t. won over the three month period were a vital contribution to fast shrinking order, boosted in line with the recent Shipping Association's statistics for the 19 ships totalling 276,550

These figures have been compiled by Fairplay International Shipping Weekly and are broadly in line with the recent Shipping Association's statistics for the 19 ships totalling 276,550

THE LEX COLUMN

Cash builds up at Distillers

Index fell 2.3 to 373.5



There was still a certain amount of speculation in the gilt-edged market yesterday that the authorities might try to whip up a little enthusiasm by declaring the long tap to be exhausted — there is probably less than £150m. left — and launching a new one this afternoon. But the market remains lifeless, and the further rise in the Dutch bank rate yesterday does not help to provide the right kind of background.

Distillers

There are welcome hints of a more open approach in the Distillers' report — especially in the statement of current year prospects which, in contrast with past reticence, are viewed "with some optimism." And the balance sheet confirms that there has been a substantial turnaround in liquidity. Where, as spending on fixed assets and working capital in 1974-75 cost-stripped net cash flow by over £40m., the group generated £16m. more than it spent during the latest period. Coupled with £5m. from BP share sales and £28m. of medium and long term loans, this has boosted liquid funds by £56m., leaving net cash of £37m. at the year end.

The extent of the improvement seems to have caught DGL by surprise, since it is now only taking up the £15m. fixed rate portion of its original £25m. facility from the FCI. Part of the explanation is the downturn in the U.K. trade, which meant that debtors only rose marginally despite the big duty increase. But the cut in production levels played a bigger part, and former output levels are not going to be restored for the time being.

Elsewhere, the group has given its initial Sandilands Accounting estimates, which, somewhat flukishly, are quite similar to the purchasing power adjustments. Assessing appropriate tax adjustments, the dividend would just be covered under this treatment, which would also increase the book value of stocks (£426m.) by £150m. net of deferred tax. See also Page 19.

Chemicals The U.S. chemical majors gave the first hint last month that the recovery in the world chemical industry was slipping

underperformed the market over the months.

London Brick

London Brick held 44p yesterday. But are nearly a third 1976 peak and there in the latest interim which show a rise to £3.8m. pre-tax for to June — to suggest not nearing the top cycle. Group delivery is up 51 per cent in line with the industry and output is current at about 88 per cent against 1975. And volume sales to current levels for 1976. But the latest forecasts point to decline in housing at the second half of while a 16 per cent six months took in, than a tenth for quarter.

Private housing 60 per cent of L.B.'s the group reckons provides a cushion near-term outlook starts since the public likely to lead the in fact L.B. can profit with profits of £13 this year. But the still looking for less 1976. In 1977 as a p/e of 41 might rise points on a two. Meantime the share per cent, and then of cover, although will not have for dividend out of 1977. See also Page 19.

Lonrho Lonrho's figures months confirm earnings per share heading for an about a tenth — mean that the share down another 1p is selling at just about current year earnings. This low rating reflection of the performance but of ment style, which a further profits not by itself be expected the institution their attitude to the foreseeable future has created great among its supporters will come under stock market contin if the cold shoulder. See also Page 19.

Hoechst is less affected by the chronic overcapacity in European fibres and on the surface its 47 per cent growth in first half pre-tax profits to DM675m. on a rise of 18 per cent in sales looks promising. But the growth was concentrated almost entirely in the first quarter and the second quarter figures show little further progress. Production at the German parent rose a few percentage points with dyes, fibres and plastics leading the sales growth. However, further appreciation of the DM and a steady rise in wage costs has put pressure on profits. All of which goes to explain why Hoechst shares have markedly

Weather

UK TODAY VERY WARM and dry conditions will persist in most places because of an anticyclone. After low cloud and mist or fog patches clear from some central and eastern areas, it will become sunny. Max. temperatures from 21C (70F) in Scotland to 26C (78F) in southern England. Outlook: Dry, sunny and very warm.

Liechtenstein: London 20.43, Manchester 20.57, Glasgow 21.13, Belfast 21.16.

BUSINESS CENTRES

City	Index	City	Index
Amsterdam	24.75	Madrid	23.75
Antwerp	24.75	Manchester	23.75
Birmingham	24.75	Paris	23.75
Bombay	24.75	Rome	23.75
Buenos Aires	24.75	Stockholm	23.75
Calcutta	24.75	Switzerland	23.75
Canton	24.75	Tokyo	23.75
Cebu	24.75	Vienna	23.75
Colon	24.75	Zurich	23.75
Hankow	24.75		
Hong Kong	24.75		
Kobe	24.75		
London	24.75		
Lyons	24.75		
Manila	24.75		
Medan	24.75		
Shanghai	24.75		
Singapore	24.75		
Sourabaya	24.75		
Tientsin	24.75		
Yokohama	24.75		

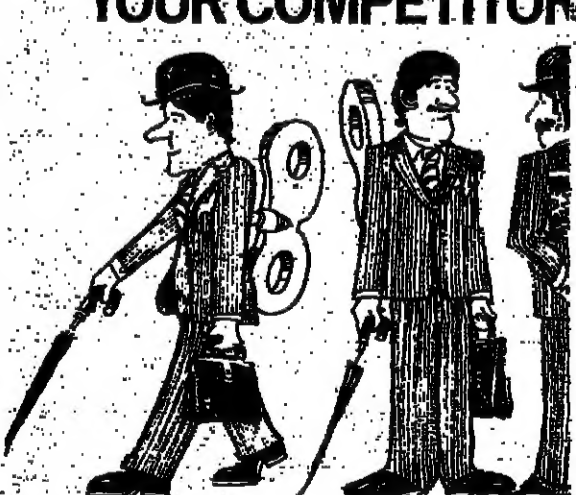
HOLIDAY RESORTS

City	Index	City	Index
Algeria	24.75	San Francisco	23.75
Amsterdam	24.75	Seattle	23.75
Antwerp	24.75	Stockholm	23.75
Birmingham	24.75	Switzerland	23.75
Bombay	24.75	Tokyo	23.75
Buenos Aires	24.75	Vienna	23.75
Calcutta	24.75	Zurich	23.75
Canton	24.75		
Cebu	24.75		
Colon	24.75		
Hankow	24.75		
Hong Kong	24.75		
Kobe	24.75		
London	24.75		
Lyons	24.75		
Manila	24.75		
Medan	24.75		
Shanghai	24.75		
Singapore	24.75		
Sourabaya	24.75		
Tientsin	24.75		
Yokohama	24.75		

New mine

THE NATIONAL Coal Board is planning to start open-cast mining on 40 acres of land at Ebbw Vale, Co. Durham. It is estimated that the site will produce 3m. tons of coal over the next nine years.

YOUR COMPETITOR



WHAT MAKES THEM TI

Some of the most valuable lessons you learn in business are at the expense of your competitors. If they make a mistake and you find out about it, it's avoid the same pitfalls. Or if they're successful, it's important to find out why.

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